

**WEST VILLAGES IMPROVEMENT DISTRICT
REGULAR BOARD MEETING
NOVEMBER 14, 2024**

A. CALL TO ORDER

The November 14, 2024, Regular Board Meeting of the West Villages Improvement District (“WVID” or the “District”) was called to order at 10:05 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 Regular Board Meeting had been published in the *Sarasota Herald-Tribune* on November 5, 2024, 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 | 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 | Kyle Wilson | Special District Services, Inc. |
| District Counsel | Michael Eckert & Joe Brown | Kutak Rock LLP |
| District Engineer | Giacomo Licari | Dewberry |

Also present were Michael McElligott & Michelle Krizen of Special District Services, Inc. and those people indicated on the attached sign-in sheet.

D. DISCUSSION REGARDING PUBLIC DECORUM AT BOARD MEETINGS

Chairman Luczynski read aloud the Public Decorum Policy.

E. COMMENTS FROM THE PUBLIC REGARDING ALL AGENDA ITEMS

Commander Jim Crantson made a public comment regarding agenda item Resolution 2024-26 and the Water Supply Agreement, which is attached to these minutes.

Paul Maloney made a public comment regarding Resolution 2024-26, which is attached to these minutes.

F. GENERAL DISTRICT MATTERS

- 1. Consider Resolution No. 2024-25 – Adopting a Fiscal Year 2023/2024 Amended Budget**

Mr. Crosley presented Resolution No. 2024-25, entitled:

RESOLUTION NO. 2024-25

**A RESOLUTION OF THE WEST VILLAGES IMPROVEMENT DISTRICT
ADOPTING AN AMENDED FISCAL YEAR 2023/2024 BUDGET.**

Mr. Crosley explained that the prior fiscal year 22/23 amended budget was inadvertently uploaded into the meeting book. When this was discovered, the correct version of the fiscal year 2023/2024 amended budget was uploaded to the meeting book. Each Supervisor received a hard copy of the fiscal year 2023/2024 amended budget that just ended September 30, 2024. There were no questions from the Board on the Fiscal Year 2023/2024 Amended Budget. There was discussion regarding any potential Sunshine Law violation because the wrong budget was uploaded to the meeting book. There were no emails received from any members of the public prior to the meeting regarding the amended budget, and after polling the audience, there was no one present that had any questions or comments on the amended budget. Mr. Eckert noted that the Board could make as many changes to the amended budget today that residents could not have known of unless they were present at the meeting. Supervisor Meisel stated that with that rationale that Mr. Eckert just shared, he was comfortable making a motion approving the Fiscal Year 2023/2024 Amended Budget.

A **MOTION** was made by Mr. Meisel, seconded by Mr. Lewis and passed unanimously adopting Resolution No. 2024-25, as presented.

2. Consider Water Supply Agreement

This agreement sets forth that the District will be entitled through working with the developer, to get another 2,000,000 gallons per day of capacity of potable water over the next several years from the Peace River Manasota Regional Water Authority. The City of North Port is a party to the master water supply contract with the water authority. Previously there were two amendments to the agreement. The City of North Port intends to enter into a third amendment to get the additional 2,000,000 gallons per day of capacity, and the District and the developer agree to accept that additional capacity. The additional 2.0 MGD is for the sole use and benefit of the District and Wellen Park. The estimated capital investment for the additional 2.0 MGD of potable water is \$48 Million, which along with the anticipated financing and prorated operational costs, shall be the sole responsibility of the District and Wellen Park. The District and Wellen Park will provide the City their final plan for payment of the capital investment, financing, and prorated operational costs for the additional 2.0 MGD of potable water within 90 days of the Authority providing their final project costs and financing plan. The City affirms that it has the necessary Major Transmission Facilities in place to transmit the additional 2.0 MGD from the current point of service to the District at no additional cost to the District or Wellen Park. Chairman Luczynski stated the existing water plant was constructed by the developer through the District, which provides potable water to Wellen Park. The first phase for the water plant has four existing wells that the City uses as source water and currently there is not an easy way to acquire additional source water to meet future demands within the District. This agreement also allows for preferred potable water rates that the City will charge to the District because the City of North Port is not a member of the Peace River Manasota Regional Water Authority Board, but they are a customer. By procuring the additional water demand, this agreement relieves the District of its obligation to expand the existing water plant in the future to meet demands by reallocating the investment to meet the future demand for potable water and resolves the source water deficiency. Supervisor Meisel stated that there was no financial benefit from a residential perspective but a guaranteed insurance policy for access to water. Supervisor Lewis stated that what he understood is that the District has committed to expanding the plant,

but if there is not source water for the plant to process, then the plant expansion is a moot point, and this agreement guarantees the source for additional potable water. Chairman Luczynski stated that was correct and the water in this agreement is already treated for potable use. Supervisor Meisel asked if this water was to be used exclusively within the boundaries of the City of North Port. Chairman Luczynski responded that this water was solely for use within the WVID boundary, however if the District is fully developed, and there remains capacity to sell ERCs, then we have the right to sell to those within the City but outside of the WVID boundary. Supervisor Meisel asked if that included the land south of the City of North Port down towards Englewood. Chairman Luczynski responded that if there was extra capacity when the developer begins to develop the area that lies in Sarasota County just below the City of North Port boundary, the water can be used there.

Supervisor Meisel asked why in the agreement was Thomas Ranch Intangibles (TRI) the sole beneficiary of all ERCs as opposed to both the District and TRI. He understood that TRI was deficit funding a lot of the infrastructure and ought to be able to recoup those funds but why in the agreement is there not some stopgap for TRI's recoupment, or a proportionate percentage of District funding because every single bond that the District issues has a certain allocation for water infrastructure; why is that not accounted for in the agreement, and why is TRI the sole beneficiary of the ERCs in perpetuity of the agreement. Chairman Luczynski responded that he envisioned that will get amended at some point, but the 2019 Utility Agreement was written reflecting TRI as the beneficiary and in this agreement that entity was kept the same as the original agreement and one thing that needs to be determined is the final financing. Right now the general engineering estimates for the capital outlay are known, but the Peace River Manasota Regional Water Authority has the ability to access certain bonds that the WVID or the developer cannot access with lower interest rates which is why in the document there is a 90 day ability to determine the final financing plan and once the District has the final information, he suspects that the ERCs will be part of the financing plan and will get updated and modified. It is anticipated that by next summer, the final cost data will be available from the Peace River Manasota Regional Water Authority, and then a financing plan will need to be approved by the WVID Board within that 90-day period. Supervisor Meisel stated that he could not support kicking that can down the road, and that he wanted to put in something in the agreement that Thomas Ranch Intangibles LLLP, and its assigns, and the District will reserve a pro rata share based upon investment of dollars and opined that he felt it was a great move to secure additional capacity for everybody and thought that putting some language in to secure those ERCs for the District when the developer is gone was prudent. After further discussion by the Board, it was agreed that the water supply agreement would be approved as presented, and also that an additional motion would be made for a vote that addressed Supervisor Meisel's concern regarding equitable ERC distribution.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously approving the water supply agreement, as presented.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Meisel and passed unanimously that when the financing plan is presented by the WVID and Wellen Park that it is incumbent upon the staff and the Board to be sure that there is an equitable consideration of the distribution of ERCs

3. Consider Resolution No. 2024-26 – Supplementing Resolution No. 2024-15 Providing for the Defense and Indemnification of a District Staff Member

Resolution No. 2024-26 was presented, entitled:

RESOLUTION 2024-26

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT SUPPLEMENTING RESOLUTION 2024-15 PROVIDING FOR THE DEFENSE AND INDEMNIFICATION OF A DISTRICT STAFF MEMBER; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

The Board previously adopted Resolution No. 2024-15, providing for the defense and indemnification of Lindsay Whelan relative to the motion filed in the 12th Judicial Circuit Court to which the District is named as a Defendant. The plaintiff, GP POA, requested leave to amend the complaint to file a motion to add District Counsel, among other parties, as a named Defendant in the GP POA litigation. The court denied the motion and the Plaintiff subsequently filed a new lawsuit against the District concerning the same facts and claims upon which the original motion and the GP POA litigation are based. Within 14 days after receipt of the notice of the new lawsuit, Ms. Whelan provided the District with a copy of the complaint in the new lawsuit and a written request for defense and indemnification by the District. Ms. Whelan has denied the allegations and conclusions in the new lawsuit. Discussion of the Board provided in the minutes of the May 9, 2024, Board meeting that the scope of this indemnification should relate to both defense of the filed motion as well as any future litigation filed alleging violations of law with respect to the same actions taken in Ms. Whelan's role as District Counsel and now the Board desires to supplement Resolution No. 2024-15 to more formally clarify the intent of the Board in adopting this resolution and provide for the defense and indemnification of District Counsel with respect to the new lawsuit.

A **MOTION** was made by Mr. Luczynski, seconded by Mr. Meisel and passed unanimously adopting Resolution No. 2024-26, as presented.

G. UNIT OF DEVELOPMENT NO. 11

1. Consider Agreement for Underwriter Services

Mr. Eckert explained that the agreement for underwriter services was needed when a landowner of a sizable piece of land approaches the District and requests to create a new Unit of Development and they ask the District to consider assisting with the financing of infrastructure to serve that particular new Unit of Development, which in this case, is Unit of Development No. 11. One request from the landowner needed to establish a new Unit of Development is for the District to approve an agreement for underwriter services for the new unit. These underwriter professionals work for the District because the District is the client. There is no cost to the District for the underwriting service. Those expenses are paid out of the bond issuance and the underwriter fees are contingent upon a successful bond issuance, but they would help facilitate the financing of the infrastructure for Unit 11. This is the underwriter that has worked with the District before and is not the Unit 11 landowners' selection, it is what the District uses for its staff, and this is contingent upon buying bond financing and would not cost the existing residents anything to enter into this agreement. This new Unit of Development No. 11 is a request from Neal Homes and will be a community named Boca Royale which is located near the southwest corner in the District boundary and lies within the area of unincorporated Sarasota County, just south of the City of North Port boundary. Supervisor Meisel stated, for the record, that he was not a proponent of using bond money to enable development to make it basically builder ready, so when a developer has a 500 acre parcel where once it is platted out, you might have 40% of it is actually marketable considering wetlands or preserves, maybe they get 200 acres to build on, then on a per acre basis it maybe \$40,000 or \$50,000 an acre, or maybe \$100,000 an acre, but once you start subdividing that and build it, they are using the government bond money to appreciate their property for future marketability and he was not a big proponent of that. Supervisor Meisel then commented that he would approve this agreement today but asked the Board to please keep that in

mind that as the Board goes down the road and looks at this, developers are appreciating their properties that they will sell for more and then turn around and pass it off to the future residents, and he did not think that was what they should do as a Board of Supervisors. Supervisor Lewis stated that was exactly what Districts do. Supervisor Meisel stated that Districts provide the infrastructure but not inside the community. Supervisor Lewis stated that Supervisor Meisel's statement was not true; it is done all the time with special districts.

A **MOTION** was made by Mr. Buckley, seconded by Mr. Lewis and passed unanimously approving the Agreement for Underwriter Services, as presented.

2. Consider Resolution No. 2024-27 – Designating “West Villages Improvement District Unit of Development No. 11” and Setting a Public Hearing on the Approval and Confirmation of Establishment of Such Unit

Resolution No. 2024-27 was presented, entitled:

RESOLUTION 2024-27

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT DESIGNATING “WEST VILLAGES IMPROVEMENT DISTRICT UNIT OF DEVELOPMENT NO. 11;” SETTING A HEARING ON THE APPROVAL AND CONFIRMATION OF THE ESTABLISHMENT OF SUCH UNIT; PROVIDING FOR RECORDATION OF THIS RESOLUTION; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

It was explained that this resolution designates the West Villages Improvement District Unit of Development No. 11 and set a Public Hearing for December 12, 2024.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Buckley and passed unanimously adopting Resolution No. 2024-27, as presented.

3. Consider Agreement Regarding the Provision of Bond Financing Team Funding and Unit Amendment Funding

This Bond Financing Team Funding Agreement and Unit Funding Agreement provide that the developer of Unit 11 will pay the costs associated with the establishment of the unit, as well as the establishment of the financing that is not paid from the bond funds.

A **MOTION** was made by Mr. Lewis, seconded by Mr. Buckley and passed unanimously approving the Agreement regarding the provision of Bond Financing Teams Funding and Unit Amendment Funding, as presented.

H. ADMINISTRATIVE MATTERS

1. District Engineer

There was no District Engineer's Report at this time.

2. District Attorney

- **Discussion Regarding Meeting Streaming on Third Party Platforms and Various Considerations**

The Board discussed options for the streaming of the Board meetings. The direction from Board was to start out with audio streaming only, and in the legal advertisement for the meeting notice it will state that audio streaming is being provided as a convenience but not as a requirement because there could be interruptions of service. This would prevent someone from the public from saying they were on via telephone and could not hear because the signal dropped and therefore it is not a valid meeting. The notice will provide that audio streaming is being provided as a convenience and the District encourages people to participate, but there may be technical difficulties that would prevent someone from being able to hear the meeting; but even if that occurs, the meeting will go forward in person.

Supervisor Meisel stated that he felt that was a great first step and thanked staff for taking the initiative to make that happen but also put a caveat that he felt audio participation should be one way, without public participation via audio and staff should have the ability to mute all participants so only one person at a time can speak, avoiding interruptions. Supervisor Meisel also recommended that it be reinforced that anyone who wishes to make a comment cannot participate via dial in, but they can always send an e-mail to the District Manager and that e-mail can be read during public comments. A test run is planned as soon as practical in the hopes of implementing this new procedure by the January meeting.

Mr. Eckert also explained that his office was seeking advice from the Board through an attorney-client session regarding settlement negotiations and strategy related to litigation expenses in relation to the case entitled Gran Paradiso POA versus West Villages Improvement District, which is case number 22-2022-CA005368-SC. In attendance at that meeting would be Joe Brown, Lindsay Whelan, William Crosley, a court reporter, and the Board Members that are not conflicted. Mr. Eckert stated that he was asking for that to be scheduled for the December 12, 2024, meeting and requested that the Board approve the session by motion.

A **MOTION** was made by Mr. Lewis, seconded by Ms. Masney authorizing an attorney-client session for December 12, 2024. The **MOTION** carried unanimously.

Supervisor Meisel stated that he would recuse himself from the December attorney-client session.

Mr. Eckert reminded the Supervisors to complete their required 4 hours of ethics training by the deadline of December 31, 2024.

3. District Operations Manager

Kyle Wilson reported that the Operations Staff was still working on hurricane related damages.

4. District Manager

Mr. Crosley noted that the next meeting was scheduled for December 12, 2024.

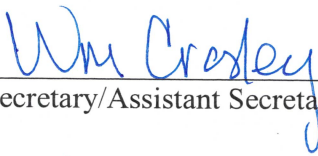
I. BOARD MEMBER COMMENTS

Chairman Luczynski commented that he had a meeting with Sarasota County regarding the River Road project (US 41 south to Winchester Boulevard up to the Charlotte County line). In the agreement the District is handling the overall engineering so the District would be able to manage it in a method that ultimately inures the District with significant value. The two round-a-bouts on 41 are roughly between \$12,000,000 and \$15,000,000 each. The District ultimately would have to construct intersections at Playmore and Manasota Beach Roads. The County has approved roundabouts for those two locations as well as the third location. Chairman Luczynski went on to add that one interesting point about River Road south of US 41 was that because it is already at capacity and failing, the County has full responsibility for the improvements needed within the right of way where District improvements may be constructed. So, where it was anticipated that the District had to expend multiple millions of dollars for each of those intersections, the District's expenses at those two intersections after his discussions with the County will be significantly reduced because the WVID will only be responsible for the cost of improvements that fall outside of what would normally be considered for a road project such as this. In addition, also approved by the County were access plans for various neighborhoods along River Road with the developer either being Wellen Park or GCI, who bought the former banker trust parcel piece near Playmore Road. The District will enter into the agreement with both parties as the final plans evolve. The contract with Kimley Horn originally had permits in place by June or July 2026 so the County could begin bidding and construction of the project. Kimley Horn had been given the audacious goal, partly because the River Road North Project (US 41 to I75) is now delayed another year with an anticipated completion in 2027, to see if this project could be under construction to catch, or even pass the progress on the River Road north where the contractor Demoya Inc. continues to work on the River Road North project. Chairman Luczynski stated that the meeting with the County could not have gone better.

Supervisor Meisel asked when the roundabout on U.S. 41 would be completed. Chairman Luczynski responded that he believed that project could be completed by March 2025.

J. ADJOURNMENT

There being no further business to come before the Board, the Regular Board Meeting was adjourned at 11:15 a.m. on a **MOTION** made by Mr. Meisel, seconded by Mr. Lewis and passed unanimously.


Secretary/Assistant Secretary


Chair/Vice Chair

Good morning, Chairman Luczynski, Supervisors, WVID Staff and Counsel, ladies and gentleman:

I am here to enthusiastically recommend, and again compliment you, on your forward-looking approach to help residents of Wellen Park, West Villages and the City of North Port, via the proposed Water Supply Agreement, with the Peace River/Manasota Regional Water Authority. As we used to say in the Navy, "Great Headwork".

Similar to the River Road improvement project, this type of future planning and engineering effort clearly benefits the greater West Villages, Wellen Park and North Port communities, as it creates an essential, coordinated plan, for expansion and infrastructure, for the delivery of good potable water to our very rapidly growing/expanding SW Florida area.

Water is an essential resource, for both potable or irrigation applications. In Florida, both the resourcing and distribution of water resources is very much challenged, by the environment and by climate. WVID is "stepping up" to this challenge, and investing in our community's future, such that our families and new residents will not have to react to shortages, since your proactive thinking and actions will have already ensured their future well-being.

Furthermore, by your "stepping up" and creating this agreement, our community will enjoy lower water rates, since we're dealing directly with the Peace River/Manasota Regional Water Authority...versus subsequently attempting to purchase water from Sarasota County.

This good idea is yet another 'nail in the coffin' of the de-annexation blight. 😊

Finally, I would also like to go record as endorsing the defense and indemnification of District Counsel, Lindsay Whelan.

So, thank you for YOUR service, and thank you for your forward thinking. Our community appreciates, and needs, your caring and professionalism.

Thank you...!!

CDR Jim Cranston, USN(Ret)
West Villages, North Port, FL
860-884-1233

Good morning, my name is Paul Maloney.

I would like to comment on Resolution 2024-26 which calls for the defense and indemnification of District Counsel Ms. Lindsay Whalen.

Ms. Whalen is a defendant in a frivolous lawsuit brought by the Gran Paradiso Property Owners Association over Irrigation Water rates. This suit was brought because a small group of uninformed residents find the recent rate study to be "objectionable".

The rate study found that when benchmarked against other cities and districts the irrigation water rates were neither the lowest nor the highest but right in the middle. This is reasonable and not "objectionable". Indeed, the GPPOA has not provided one scintilla of evidence to the contrary other than hyperbole and pejorative.

The lawsuit alleges that: "Defendant WHELAN is violating her duties to act in the benefit and interest of her client--the residents of the District..." This statement is patently false.

Ms. Whalen does not represent the residents. Ms. Whalen represents WWID which was formed under Chapter 189 of the Florida State Statutes as a limited, single and specialized purpose local government. Her client is the WWID not the individual residents of the District.

I have attended many WWID Board meetings and can state that the allegations against Ms. Whalen are categorically untrue. I have heard Ms. Whalen time and time again provide sound legal advice to the District, admirably fulfilling her role as counsel to the District.

This should be an easy and unanimous vote by the Supervisors to approve the defense and indemnification for Ms. Whalen.

It is incumbent for the District to support Ms. Whalen.

Any Supervisor who votes against this resolution calls into question that Supervisors judgement and motivation.