

**WEST VILLAGES IMPROVEMENT DISTRICT
REGULAR BOARD MEETING
DECEMBER 12, 2024**

A. CALL TO ORDER

The December 12, 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 27, 2024, and December 4, 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	Absent
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	Joe Brown	Kutak Rock LLP
District Engineer	Giacomo Licari	Dewberry

Also present were Todd Wodraska & Michelle Krizen of Special District Services, Inc. and Lindsay Whelan of Kutak Rock (present via telephone).

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

Upon receiving no requests to provide public comment, Chairman Luczynski addressed the members of the public in attendance and confirmed that no one in attendance desired to provide public comments. There were no requests from members of the public to provide public comments upon the Chairman’s inquiry.

F. APPROVAL OF MINUTES

1. October 25, 2024, Special Board Meeting

The minutes of the October 25, 2024, Special Board Meeting were presented for consideration.

Supervisor Meisel commended the well-documented meeting minutes.

A **MOTION** was made by Supervisor Lewis, seconded by Supervisor Buckley and passed unanimously approving the minutes of the October 25, 2024, Special Board Meeting, as presented.

2. November 14, 2024, Regular Board Meeting

The minutes of the November 14, 2024, Regular Board Meeting were presented for consideration.

Supervisor Meisel again complimented District Manager Crosley for the accuracy of the meeting minutes.

A **MOTION** was made by Supervisor Lewis, seconded by Supervisor Buckley and passed unanimously approving the minutes of the November 14, 2024, Regular Board Meeting, as presented.

G. GENERAL DISTRICT MATTERS

1. Auditor Selection Committee

a. Ranking of Proposals/Consider Selection of an Auditor

Proof of publication was presented which showed the notice of the Audit Committee Meeting had been published in the *Sarasota Herald-Tribune* on December 3, 2024, as legally required and for the purpose of reviewing, discussing, evaluating and ranking any proposals the District received pursuant to solicitations for auditing services.

The Audit Committee Meeting commenced at 11:35 a.m.

Two proposals were received; one from Grau and Associates (the District's current auditor) and a second one from Perez-Abreu, Aguerrebere, Sueiro and Torres, PL (PAAST).

Mr. Wodraska provided some background on Grau and Associates who have audited the District for as long as he could remember and stated that Grau performed audits for many special districts throughout that State, as well as the lion's share of special districts managed by Special District Services, Inc. Grau has been challenged to deliver a timely audit before the June 30th deadline each year. PAAST performs audits for some special districts and municipalities within the State.

After discussion, and collectively scoring each firm (PAAST 50 points, Grau 45 points), the committee concluded to recommend awarding the audit services to PAAST, and to evaluate their performance after the fiscal year 2023/2024 audit is received to see if the Board wants to continue with PAAST or seek alternative firms by requesting qualifications from other interested firms. PAAST fees for annual audit services for 2024 is \$31,000, and for 2025-2028, if needed, would be \$29,500.

A **MOTION** was made by Supervisor Lewis, seconded by Supervisor Buckley and passed unanimously recommending the hiring of PAAST to provide the District's audit services.

The Audit Committee Meeting was adjourned at 11:45 a.m.

A **MOTION** was then made by Supervisor Buckley, seconded by Supervisor Meisel and passed unanimously accepting the recommendation of the Audit Committee of hiring PAAST to provide the District's audit services.

H. UNIT OF DEVELOPMENT NO. 11

1. Review Landscape Bids Received and Consider Award of Landscape Contracts

It was noted that the District Board had previously approved prequalified contractors for landscape services. Each prequalified landscape contractor was sent a scope of work that included a map of the overall District service area and the map was further broken down into individual areas, A-D, that mostly separated areas by road segments. Each contractor was asked to bid on the overall map, or individually bid on a specific area of the map. The landscape providers who submitted a bid for landscape services were Brightview, Impact, Juniper, Sunny Grove, and Yellowstone.

After Board discussion, a **MOTION** was made by Supervisor Meisel, seconded by Supervisor Buckley and passed unanimously awarding contracts to the following providers: Brightview for Area A at a cost of \$1,209,417; Sunny Grove for Area B at a cost of \$376,568; Juniper for Area C at a cost of \$599,630; and Impact for Area D at a cost of \$204,990.

I. UNIT OF DEVELOPMENT NO. 3

1. Discussion of Matters Relating to Irrigation Litigation

a. Review Demand Letter Regarding Southwest Florida Water Management District (SWFWMD) Permit Modification

Mr. Brown went over the letter the District received from the Shutts & Bowen law firm, legal counsel for The Ranch Land Operations, LLP, (TRO) and Thomas Ranch Intangibles, LLP (TRI) (collectively, the "Ranch Entities"), which was received December 3, 2024. The Ranch Entities' letter demands that the District consent to a modification of the Water Use Permit (WUP) and redistribute quantities associated with wells currently serving Primary Irrigation Lake #3 (PIL3) and Gran Paradiso to other areas within the District. The demand is based on the fact that for a number of years the irrigation usage by that customer has exceeded its AGMOD allocation which constitutes a violation of the WUP, and a violation or breach of the supply agreement the District has with the Ranch Entities regarding allowing the District to be included as a co-permittee on the WUP and to utilize the Ranch Entities water rights for the purpose of serving its customers. A breach of the water supply agreement jeopardizes the ability of the District to proceed with its irrigation program. He stated that he has been advised that Mr. Doug Manson, attorney for the Ranch Entities, is in attendance at the meeting to answer questions that the Board might have.

Mr. Brown noted that in response to the demand letter, a resolution has been prepared for the Board's consideration consenting to the submittal of the WUP modification to the SWFWMD, which would then initiate a process of the agency reviewing and taking action on that permit modification.

Mr. Brown then discussed the steps the District will have to begin taking to come up with plans to modify the existing system within Gran Paradiso. Under the proposed modification there would still be quantities associated with service to the District's property within that service area which the District has obligations to maintain under bond covenants. The other AGMOD allocations not associated with District lands would have to be relocated and the system would have to be segregated. As part of the proposal, the Ranch Entities would cover the costs associated with the WUP modification or changes to the improvements which would

require District staff to develop plans and review, based on cost estimates, to determine if competitive solicitations for the actual work.

Supervisor Lewis stated that he thought it would be helpful to hear from the Ranch Entities representative so that the Board could grasp what it was being asked to do.

Mr. Doug Manson introduced himself as the water use attorney for the Ranch Entities and stated that Mr. Brown had done a good job of summarizing the Ranch Entities' request for the WUP modification. He further stated that this default exists after three years of non-compliance of the WUP and over pumpage in Gran Paradiso. Mr. Manson noticed that the customer's over-usage was addressed by the Gran Paradiso's Property Owner Association (GPPOA) latest newsletter where on Page 5 the GPPOA admits that there is an egregious exceedance of the irrigation quantities that are set forth in the permit, and this three-year occurrence endangers the permit. Now what SWFWMD has done in the past with over pumpage was to reduce quantities overall, but the issue is tallying the quantities where the District measures the usage on a 12-month rolling average so in the dry season you can use more water and during the wet season you can use less. So the issue is they look at it as a 12-month rolling average of consumption and that is where the exceedance has been going on for three years. It is an issue that has to be addressed because it endangers the water for the entire District that is served by the WUP. So the cure is the action contemplated in the resolution you see before you, where the Ranch Entities will pay for the costs and engineering work to take the wells offline that would no longer be used for Gran Paradiso's irrigation to make it as financially painless. He stated that from the standpoint the Ranch Entities, they desire to make these modifications to protect the permit long term so we do not end up in enforcement proceedings with SWFWMD and an alteration or decreased quantities or possibly a revocation of the permit.

Chairman Luczynski stated that the last thing in the world we would want to happen is to have any WUP issues and that staff has heard him say many times we can't screw around with the 50 year permit, which is our lifeline, because without that permit and groundwater from the Ranch Entities the District does not get enough reclaimed water from the City of North Port to irrigate one neighborhood let alone the whole entirety of the District.

Mr. Manson added that there was another portion of the modification which addresses the termination of the District's agreement with Englewood Water District (EWD) so the permit needs to be modified to inform SWFWMD that EWD has terminated their agreement with the District as a reclaimed water source.

Mr. Brown commented that in addition to the potential for agency action against the Ranch Entities and/or the District, the District is included as co-permittee on the WUP solely by virtue of the water supply agreement with the Ranch Entities, with their cooperation. As everyone knows, there was a summary judgment hearing on the Sunshine Law issue in the ongoing irrigation litigation that we are awaiting a ruling on, where the District asserts that even if a Sunshine Law violation occurred with respect to Resolution 2018-18 which somehow effects the existence of the water supply agreement, that the District has cured any such violation over its numerous additional ratemaking hearings held over the years. This is part of the District's effort to correct any issues and ensure there are no problems with the water supply agreement that the District has with the Ranch Entities, which is the mechanism that allows the District to be on the permit. So by virtue of the District being in violation of its water supply agreement with the Ranch Entities, there is the added potential threat of litigation with the Ranch Entities and potential termination of that agreement at play due to the customer's non-compliance with AGMOD requirements. If that water supply agreement is not in place, the District does not have the cooperation sufficient to remain on the WUP, which that endangers the entire irrigation service and for example, every agreement that the District has to provide customers with service is premised on that water supply agreement being in place and the District being a permittee for that water use permit.

So in addition to the agency action there is the additional concern from staff's perspective of litigation with the Ranch Entities that would result in the District no longer being on that permit or having this agreement in place and while the District has been trying to take action over the last year and a half having public hearings, meetings, securing additional consultants to perform a rate study, it has been Gran Paradiso's position through the litigation and they continue to fight the District through this that those agreements are void.

Chairman Luczynski asked if the water supply agreements with its customers were void then the District has no obligation to provide Gran Paradiso any water? Mr. Brown responded affirmatively and stated that it was actually a little curious that the District was fighting in the litigation to keep all of these customer supply agreements in place and Gran Paradiso is instead fighting to have the customer supply agreements including their own supply agreement with the District voided, which would ultimately result in the same thing we are talking about here today- the inability of the District to provide irrigation water service to its customers, including Gran Paradiso- and so in a sense approving this resolution and the actions contemplated by the resolution gives the GPPOA exactly what they have been asking for in the irrigation litigation.

Supervisor Lewis commented that he read the resolution a couple of times and understood the permit modification but was not entirely sure if it explicitly terminates the customer supply contract between the District and the GPPOA. He understood that Gran Paradiso always claimed that their customer supply contract was not valid to begin with, but does this resolution specifically terminate that contract by approving the permit modification? Mr. Brown responded the GPPOA customer supply contract, to the extent it is still valid which is contrary to the GPPOA's argument in the irrigation litigation, would automatically terminate under the provisions of that agreement if the District were no longer able to provide those quantities as a result of this permit modification.

Chairman Luczynski asked if that were effective immediately or would that be effective when the permit was modified. Mr. Brown responded that it would be effective at the time the permit was modified and adjustments to the AGMOD allocations take effect.

Chairman Luczynski asked what the anticipated timeline for the WUP modification was. Mr. Manson responded from the standpoint of modification you are on the timeline of SWFWMD and typically if they do not have any questions, it takes about 90 days.

Supervisor Meisel asked how many times had the Ranch Entities or the District received notification from SWFWMD that we have exceeded our allocated capacity. Mr. Manson responded that we have not received any written notice from SWFWMD.

Supervisor Meisel asked what other customers had over pumped on their 12-month rolling average. Mr. Manson responded that he was not aware of other customers over pumping. Supervisor Meisel responded that there were, and stated that in his opinion the demand letter is ridiculous and that he believes it is retaliatory in nature due to the ongoing litigation.

Supervisor Meisel stated that the District has the ability to pump water from PIL 3 to other primary irrigation lakes and asked how many thousands of gallons were allocated to each of those wells. Mr. Manson responded the allocations have a cap on each one of those wells, but the allocation is for the overall system, not a per well basis. In other words if you add up the allocation of each one of those wells you would exceed what the annual allocation is because they do not anticipate you pump all the wells.

Supervisor Meisel stated he was very familiar with SWFWMD and if you look at the WUP he believed it was 2.1 million gallons a day allocated for the entire District and that he believes the District is operating at 40% of groundwater withdrawal for the entire District. He stated that from his experience, SWFWMD would prefer that you use reclaimed water and that SWFWMD does not have any issue if you exceed your AGMOD capacity if you are using reclaimed water or if you are using stormwater runoff since what they are most concerned about is groundwater withdrawal. Mr. Manson responded that SWFWMD certainly does mind if you violate WUP conditions.

Supervisor Meisel asked who was on the WUP now. Mr. Manson responded that the Ranch Entities and the District are co-permittees. Supervisor Meisel stated that the water supply agreement mentioned in the letter from Shutts & Bowen, which was executed in December 2018, references the Ranch Land Operations and Thomas Ranch Intangibles as the Ranch Entities as permit holders. Mr. Manson responded that he was not present to address the terms of the water supply agreement, which was prepared by other legal counsel. Supervisor Meisel then asked why in 2018 you would execute an agreement, indicating that Thomas Ranch Intangibles was a permit holder when they were not, because Thomas Ranch Intangibles was not added to the WUP until June of this year.

Supervisor Lewis inquired as to the relevance with regards to what the Board is being asked to consider today with respect to the demand letter and resolution, and Supervisor Meisel responded that the relevance is that there is an agreement indicating that Thomas Ranch Intangibles was a WUP permittee in 2018 when they were not added to the WUP until 2024.

Mr. Brown responded that he was not sure that it said that. Supervisor Meisel responded that he would guarantee that it said that and he would read it verbatim. Supervisor Meisel then read aloud that “the West Villages Improvement District, a special district created from Chapter 189, hereinafter referred to as the District the Ranch Land Operations LLP, a Florida limited liability partnership herein referenced as the Ranch and Thomas Ranch Intangibles LLLP, as trustee under water rights trust agreement dated December 12th, 2017 hereinafter referred to as trustee each may be referred to as individual as party or collectively as parties.” Mr. Brown responded that sounded correct, trustee was the term used with respect to their rights.

Supervisor Meisel stated that per the letter, the trustee has the exclusive right to seek permits for the withdrawal of groundwater on the restricted lands and asked who owned the wells. Mr. Manson responded Ranch Land Operations and Thomas Ranch Intangibles are the co-permittees along with the District. Supervisor Meisel responded that he understood that they are now but as of June of this year, Thomas Ranch Intangibles was not on the WUP. Mr. Manson responded he could not confirm whether that was true or not but the Ranch Entities have been on the WUP since the beginning. Supervisor Meisel responded that the Ranch Land Operations was on the WUP not Thomas Ranch Intangibles, they were added in June of 2024.

Supervisor Meisel asked who owned Well 74 through 78. Mr. Manson responded there are many wells owned by different entities throughout the Ranch, and in order to get a SWFWMD permit you have to show either ownership or control. Supervisor Meisel asked if you have an easement over property then you can get a permit, correct? Mr. Manson responded affirmatively, that you could have an easement, a license, or even a letter authorizing you to utilize the ground where the well is located, or you can own the property outright.

Supervisor Meisel reiterated that he felt that this request was retaliatory in nature.

Supervisor Meisel made a **MOTION** that no further bonds should be approved by the Board going forward until the irrigation lawsuit has a resolution by the Court. Mr. Meisel also stated that as a part of his motion, the District should stop irrigating lands that have developed property south of Manasota Beach Road because

the master developer has not been paying any money towards irrigating those lands and the District has been paying for that irrigation water. The **MOTION** failed for a lack of a second.

William Crosley corrected Supervisor Meisel and advised that the District was in fact invoicing the lands in Unit No. 1 for irrigation usage. Supervisor Meisel asked how that was being measured. Giacomo Licari responded that because there was not a way to measure usage in those areas since the Board declined to install segregated meters on those properties, the invoice for consumption was based on maximum allocations for those areas on a monthly basis.

Supervisor Meisel stated that Wellen Park has a master developer that the other four District Supervisors are employed by, that is making a demand for which we should not succumb to because we represent the District and at the end of the day, if the Ranch Entities want to try to play from the bully pulpit then we have the ability to bully back and that leverage would be to table any further discussion of future bonds or any development until this irrigation litigation is resolved and that irrigation litigation can be resolved if the parties can go to the table to sit down and discuss, which he inquired Mr. Brown about at the November meeting why those settlement discussions have not been held.

Chairman Luczynski stated that the GPPOA has never once expressed any desire to resolve the irrigation lawsuit, and further never once have they ever expressed in any clear manner what is goal that they wish to achieve by the irrigation lawsuit. All that we hear from the GPPOA in the irrigation litigation, and as you see in the resolution, is that the GPPOA wants to void the existing customer water supply agreements that it has with the District, and if you void those agreements which create the obligation for the District to provide irrigation water to Gran Paradiso, the GPPOA is essentially saying that it does not want the District's irrigation water. So, maybe I am being simplistic, but the result of the Ranch Entities' demand is basically giving Gran Paradiso exactly what the GPPOA attorney is asking for in the irrigation litigation- which is that they want to terminate their supply agreements with the District. But if you are going to terminate the supply agreements, you do not still get the water.

Supervisor Lewis stated there was no inherent obligation to provide irrigation water to Gran Paradiso, the only obligation of the District to provide irrigation water is pursuant to a supply contract and they have claimed there is no supply contract in place. He states that he feels that the master developer and the District have been magnanimous over the past few years in providing irrigation water to a customer that claims to not have an agreement that would entitle them to the water to begin with, and what we're doing right now is essentially putting the customer into position that they've always claimed they wanted to be through their litigation. He went on to state that he didn't understand why Supervisor Meisel was upset with this proposed action.

Supervisor Meisel stated that he did not speak for Gran Paradiso, but asked why should the GPPOA be required to propose a settlement of the irrigation litigation when they were the ones who were in the catbird seat and the District was caught entering into an agreement that would have paid the master developer \$2.8 billion which the Court called palpably obscene.

After a violent outburst, Chairman Luczynski rapped the gavel and asked if a recess was needed for Supervisor Meisel to calm down.

Supervisor Meisel shouted that Chairman Luczynski did not like the fact \$2.8 billion was being paid to the master developer over 100 years. Chairman Luczynski stated that he was not going to allow the discussion to proceed until Supervisor Meisel calmed down.

Supervisor Meisel stated that he was only regurgitating what the judge said was palpably obscene. Chairman Luczynski responded that he wanted to take a recess and that Supervisor Meisel could speak after the recess. Supervisor Meisel requested to have the floor after the recess. Chairman Luczynski responded that he would, but he wanted Supervisor Meisel to speak in a calm, professional manner and to speak calmly and truthfully.

Supervisor Meisel stated he did speak the truth but that Chairman Luczynski did not like the truth. Chairman Luczynski stated he did not like Supervisor Meisel losing his temper and to calm down, that he had the right to control the meeting and he was going to control the meeting.

Chairman Luczynski rapped the gavel and called for a 15-minute recess. The recess began at 10:48 a.m. and the meeting reconvened at 11:12 a.m.

Supervisor Meisel inquired of Mr. Brown whether as a result of the preliminary Court ruling that the trailing water supply agreements to Resolution 2018-18, including the water use supply agreement with the Ranch Entities, were void ab initio. Mr. Brown responded that the District expects a ruling on the Motion for Summary Judgment from the Magistrate on whether or not the District has affected a cure of any alleged Sunshine Law violation.

Supervisor Meisel asked if the ruling would address whether any of the trailing agreements were void ab initio. Mr. Brown responded that that issue was not before the Magistrate. He stated that the District's Motion for Summary Judgment asks, assuming there was a violation which the District disputes, whether the District has cured the alleged violation based on all of the actions taken and public hearings held subsequent to the adoption of Resolution 2018-18. This is because the Court ruling you are referencing was only a preliminary ruling and not a final determination or ruling on the Sunshine Law issue by the Court. That is what is in front of the Court now, not whether any of the supply agreements are void or not. The Magistrate is not going to opine on whether the supply agreements are void ab initio.

Supervisor Meisel asked Mr. Manson if he was the same attorney that participated in a phone call with the District's attorney and the individual that did the most recent rate study. Mr. Manson responded affirmatively that he was on a call with the rate study consultant but that was a while ago.

Supervisor Meisel asked what happens when a water use permit is applied for and there's misrepresentation or untruths in the permit, can SWFWMD then revoke that permit? Mr. Manson responded that it depended on the circumstance- for example, if it relates to a relevant portion of the permit like the modeling that justified the impact and it was based on a flawed assumption that was not caught by SWFWMD, they can go back and modify the permit and reduce the quantities to the amount that actually would be impacted or not impacted.

Supervisor Meisel asked if the permit applicant said they owned certain lands within the permit area but they did not own certain lands, would that be a concern to them? Mr. Manson responded you have to have ownership or control of the lands in question. He stated that when Supervisor Meisel says "ownership" he didn't know whether Supervisor Meisel meant ownership or control as long as you have ownership or control of the property where the water is being withdrawn from, then you have the right to be a permittee, with some exceptions.

Supervisor Meisel reiterated that, in his opinion, the reason for this demand seems retaliatory in nature and that he felt that since the Court has issued a temporary injunction then it's incumbent on the District Board to extend the first olive branch to resolve the irrigation dispute. However, he believes that this has never been done because Judge Carroll highlighted the likelihood of success of the Sunshine Law violation claim, which would void all of the trailing supply agreements including the Ranch Entities supply agreement.

He stated that he understood the master developer wanting to protect that 100-year Ranch Entities water supply agreement because he would spend as much money in the world as he could to invest and protect a \$2.8 billion agreement and that that agreement is based upon, if and only if, there is no water available and you had to use 100% groundwater withdrawal from the pumps, that's how it was calculated. He stated in his opinion, this methodology was flawed and that actual usage of the groundwater is what should be calculated based on 75% of the City of North Port's reclaimed water rate since the water doesn't have to be treated like the reclaimed water does. He analogizes that it's like the District is driving a Cadillac when there is another Cadillac parked in the garage, and the extra Cadillac in the garage costs just as much to insure and just as much to buy and it's sitting there in the event that my Cadillac that I drive on a daily basis has to go in a shop and I need something to drive, but we're paying the same amount per year for that Cadillac that makes no business sense. He indicated that he was not saying the Ranch Entities are not entitled to be paid for the irrigation water, but he wants to pay them a fair and equitable rate and in his opinion \$2.8 billion is not fair and equitable.

Chairman Luczynski responded that \$2.8 billion was the number that Mr. Meisel calculated, and that no independent CPA firm ever looked at the calculation. He stated that this calculation was not accurate since Mr. Meisel factored in a 5.5% increase on the first five (5) years where the irrigation rates were only increased two (2) out of the first five (5) years so he knew from the very beginning that Mr. Meisel's numbers were wrong. Further the \$2.8 billion was based on Mr. Meisel presuming densities and absorptions, and again those are projections.

Supervisor Lewis stated what Supervisor Meisel was arguing was about well availability fees and irrigation agreements and that is not what is on the table.

Supervisor Meisel stated this resolution was a waste of time, that it is retaliatory and this Board should not even consider it at all. Chairman Luczynski asked how it was retaliatory when GPPOA's attorney, Joe Herbert of Herbert & Associates Law, has said multiple times in Court that the District's existing water supply agreements for Gran Paradiso are null and they should not be in existence. Without that agreement in place, Gran Paradiso has no right to the District's irrigation water. He stated that further, the District has done independent rate studies and the irrigation rates are right in the middle of the universe of water cost, so we know that the District is charging a fair rate. If GPPOA's attorney, Joe Herbert, does not want the GPPOA's water supply agreement with the District to exist, it seemed like all this resolution does is give Gran Paradiso what its attorney is asking for in the irrigation litigation, and so he does not understand how Mr. Meisel is describing that as retaliatory. After 2 1/2 years of litigation, it seems like the Ranch Entities are basically saying they are tired of fighting, and so we are going to give GPPOA what they want.

Supervisor Meisel stated so then let the Ranch Entities get it through the Court. He stated that this Commission represents the entire community- Gran Paradiso, Renaissance, Islandwalk, etc.- so for us making any kind of resolution for a change to the permit, we as co-permittees have just as much authority over that as they do. Chairman Luczynski indicated that Supervisor Meisel was missing the point- it appears there is a breach of the Ranch Entities supply agreement and the District is only a permittee on the WUP and able to provide its irrigation program as a result of that contract, so if that contract is terminated due to the breach or otherwise goes away we are kicked off the WUP and unable to provide irrigation service to anyone.

Supervisor Meisel asked in what agreement is that articulated? Mr. Brown responded it was not articulated in an agreement- it is the function of how the SWFWMD regulations work and what Mr. Manson was talking about regarding how a water use permit permittee has to have ownership or control. The only reason the District has the ability to say they have any of those interests that would allow them to come on to any of the property where there are wells is by virtue of the agreement with the entities that do have the ownership

and control which are the Ranch Entities, so if the District doesn't have that agreement by which the Ranch Entities are saying "yes, we are going to share these rights and interests with you as co-permittees"- because they're the one that have the control or the ownership interests which are what allows the District to be put on the WUP and then use that water it in its irrigation servicing.

Supervisor Meisel stated he agreed and that was where they have us in the catbird seat there, but then we as a Board collectively can say "fine you want to play that card, you've got a pair of aces, we've got 3 aces and we will no longer approve any more bonds so how would your employer or your client feel if the District would not issue any more bonds for future development on the 4,000 plus acres they still haven't developed" and Mr. Manson should take that back to his client.

Supervisor Meisel stated that he thinks the Board should table this resolution. He stated that the Board represents everybody so why is the Board bowing down to the master developer when SWFWMD has not issued any warning letters to the District? He stated that the Ranch Entities is trying to point out the fact that Gran Paradiso has been overusing irrigation water and now they want to manipulate the allocation, which is a moot point because none of those wells ever pump anywhere near the capacity that they're allocated. In his opinion, this is just a strategic move by the master developer where it wants to reallocate those quantities to other wells other than the ones in Gran Paradiso with the exception of the District-owned common areas. He stated that there's litigation ongoing and if the Ranch Entities want to play hardball, then we as a Board can play hardball back.

Chairman Luczynski asked if we should play hard ball back and as Supervisor Meisel suggest not approve any new infrastructure bonds when one of the basic tenants of our enabling legislation is to provide public infrastructure, doesn't that get us in trouble because we are not following our mandates?

Supervisor Lewis stated the point isn't the well availability fee and the agreements- the resolution this Board is being asked to consider is based on the fact that Gran Paradiso is in violation of their water usage for an extended period of time, their POA board has been totally ineffective in curing the over usage, and the primary holder of the permit has called us on this. The fact that there is no threat from SWFWMD at the moment is not relevant- you don't comply with the rules because you're under threat, you comply with the rules because they are the rules, that's what you're supposed to do. Now we have been told that we must comply with the rules or the District is going to potentially lose our ability to irrigate the rest of the District. That's the issue on the table, it's not all this other nonsense. This is a permit issue and a compliance issue that's what we're being asked to deal with, but it is mind boggling- and he's never heard Supervisor Meisel articulate any defense of this- is how you can take a position that you don't have a water supply agreement with the District and then be antagonistic when you're relieved from that agreement.

Supervisor Lewis then made a **MOTION** adopting Resolution No. 2024-28, seconded by Supervisor Buckley.

Supervisor Meisel stated that this had no bearing on this Board's ability to affect how we manage our responsibilities in the WUP and that, in fact if you read the letter closely from Shutts & Bowen it calls out numerous violations of the District by not providing timely reports to the SWFWMD, and so he made a **MOTION** that we table any motions until the District is up-to-date on all the SWFWMD reportings and also until a letter has been received stating that we are under the gun of possibly losing the WUP for over usage.

Chairman Luczynski stated there already was a MOTION and a second, for discussion. Supervisor Meisel stated that at this point the vote is 3 to 1, so go ahead and vote.

The **MOTION** adopting Resolution 2024-28 passed 3 to 1 with Supervisor Meisel dissenting.

Supervisor Meisel made a **MOTION** rescinding the approval of the most recent MOTION approved until the District gets into compliance with all reporting and other delinquencies with the SWFWMD as well as until we receive correspondence from SWFWMD indicating that our WUP will be terminated if we do not make corrections by their required compliance date. The **MOTION** failed for lack of a second.

Supervisor Meisel stated that he was tired of participating in meeting and wasting his breath and left the meeting at 12:32 p.m.

b. Consider Resolution No. 2024-28 – Regarding SWFWMD Permit Modification

Resolution No. 2024-28 was presented, entitled:

RESOLUTION 2024-28

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT REGARDING ITS CONSENT TO A WATER USE PERMIT MODIFICATION IN CONNECTION WITH THE DISTRICT'S IRRIGATION QUALITY WATER SERVICE; DIRECTING THE DISTRICT'S STAFF TO PROCEED WITH ACTIVITIES NEEDED TO EFFECTUATE THE PERMIT MODIFICATION; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

It was noted that this resolution also approves Exhibit A of Resolution 2024-28, the funding agreement with The Ranch Land Operations, LLLP and Thomas Ranch Intangibles LLLP that provides any expenses involved with the modification of the WUP and any associated infrastructure improvements needed will be the responsibility of the above named entities.

Resolution No. 2024-28 was adopted during the discussion of Item I. 1. a. above.

J. UNIT OF DEVELOPMENT NO. 11

1. Consider Resolution No. 2024-29 – Ratifying Resetting of Confirmation of Establishment of Unit of Development No. 11 Public Hearing

Resolution No. 2024-29 was presented, entitled:

RESOLUTION 2024-29

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT AMENDING RESOLUTION 2024-27 TO RESET THE DATE AND TIME OF THE PUBLIC HEARING ON THE APPROVAL AND CONFIRMATION OF THE ESTABLISHMENT OF "WEST VILLAGES IMPROVEMENT DISTRICT UNIT OF DEVELOPMENT NO. 11;" PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

It was explained that this resolution restarts the confirmation process of Unit of Development No. 11 and resets the Public Hearing from December 12, 2024, to January 9, 2025.

A **MOTION** was made by Supervisor Lewis, seconded by Supervisor Buckley and passed unanimously adopting Resolution No. 2024-29, as presented.

K. UNIT OF DEVELOPMENT NO. 12

1. Consider Resolution No. 2024-30 – Designating “West Villages Improvement District Unit of Development No. 12” and Setting a Public Hearing on Approval and Confirmation of Establishment of such Unit

Resolution No. 2024-30 was presented, entitled:

RESOLUTION 2024-30

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE WEST VILLAGES IMPROVEMENT DISTRICT DESIGNATING “WEST VILLAGES IMPROVEMENT DISTRICT UNIT OF DEVELOPMENT NO. 12;” 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 noted that this resolution designates the establishment of Unit of Development No. 12 and sets a Public Hearing for January 12, 2025.

A **MOTION** was made by Supervisor Buckley, seconded by Supervisor Lewis and passed unanimously adopting Resolution No. 2024-30, as presented.

L. ATTORNEY-CLIENT SESSION RELATIVE TO LITIGATION

Mr. Brown indicated that an attorney-client session was not needed at this time.

M. ADMINISTRATIVE MATTERS

1. District Engineer

Mr. Licari reported that the work on the intersection improvements of Playmore and Preto would commence the week of 12/16 which includes expanding the intersection as well as two new pedestrian crosswalks. This project, between the master developer and the District, also includes the installation of curbing on Playmore between Preto and West Villages Parkway with completion expected sometime in early February. In addition, the design of the improvements along Preto Boulevard are underway that will include parallel parking near the Grand Lake and median intersections/turn lanes for future neighborhoods. That work is scheduled to begin after spring training.

Chairman Luczynski commented that the patch area Ajax recently installed looked like it was already starting to slide and felt there could be a base layer issue. He asked that that area be factored into these ongoing projects.

2. District Attorney

Mr. Brown reported that the District had filed a motion for summary judgment in regard to the irrigation litigation but a response had not been received and was expected anytime. Supplemental materials requested by the Magistrate during the hearing held about two months ago had been provided. When the Magistrate issues the proposed order, there is a 14-day period between the issuance of that proposed order in which parties can submit any exceptions and if there are exceptions submitted that starts a process where there would need to be another hearing before the actual Circuit Court judge. If there are no exceptions submitted then it goes before the Circuit Court judge as proposed and typically you will see the judge then enter that order as proposed but he does have the ability to make modifications if he desires. Other occurrences in that litigation are some counterclaims filed by the Thomas Ranch Entities against Gran Paradiso who did not timely respond to answer those counterclaims within 20 days and there was a motion for default filed by the Thomas Ranch Entities and then subsequently Gran Paradiso filed a response. There are excuses for untimely filing responses but judges like to have issues resolved on the merits as a practical matter and we will see it that gets set for a hearing but chances are the judge will allow the late filing but that is up to the Court. In the irrigation assessment related case, depositions have been set by insurance defense counsel for the District and those depositions are scheduled for January. Mr. Brown stated that he was not aware of any movements in the litigation case that deals with how the urbanization calculations are made.

Ms. Whelan explained that a letter was received from SWFWMD regarding wetland mitigation reporting for Permit No.43028393.011, project name Gran Paradiso, Phase 4A and that certain reporting has not been adequately completed by the GPPOA which is required by their maintenance agreement it has with the District. The five-year nuisance and exotic mitigation requirement under the permit that is reported annually and there appears to be little or no progress towards mitigation which basically means that the GPPOA seemingly is not dedicating enough resources towards that nuisance eradication. This is based on a report provided by Environmental Consulting Technology, Inc. (ECT), who inspected the areas and provided information that the areas have struggled with nuisance/exotic vegetation coverage over the past several years. The recommendation from ECT in an effort to come into compliance and move towards success intensive maintenance of the mitigation areas is recommended any areas devoid of vegetation should be replanted to increase native vegetation coverage and these efforts should allow for the mitigation areas to move towards success and potential sign off from further monitoring efforts.

Ms. Whelan stated that it appeared that the Gran Paradiso POA is in breach of the maintenance agreement which has several options for the District to consider. A demand letter could be sent to the GPPOA letting them know the fact that the District has been advised of this situation and reminding them of their obligations under the agreement asking them to please comply. The District also has the ability to take over the maintenance and reporting and either bill the GPPOA back for those costs or Unit of Development No. 3 operations and maintenance funds could be used albeit the current fiscal year's budget did not consider any of those expenses.

She went on to state that the other option is to terminate the entire agreement because they're in breach and take back all of the maintenance inhouse to the District. This is not the first time the District has had issues with the POA's maintenance at an adequate level and staff has the ability to work with the POA behind the scenes versus an all-out termination of the agreement. This information was just brought to the attention of the District and there has not been any interaction between staff and the GPPOA. Chairman Luczynski commented that in his opinion the GPPOA should be sent a demand letter saying that they need to address these matters and asked what the District could do if the GPPOA does not address these concerns and what is the mechanism to terminate the agreement.

Ms. Whelan responded that a full termination of the agreement would require the District to provide notice to the GPPOA by March and this would allow the District to budget appropriately for the increased

maintenance expenses which would take effect at the beginning of the next fiscal year in October 2025. There is a significant amount of District infrastructure within Gran Paradiso and any of the expenses related to the infrastructure maintenance would be expensed through Unit of Development No. 3.

Mr. Crosley stated that there were projects that had been requested by the POA such as lighting at the public mailboxes and bench installations along District roadways. Chairman Luczynski stated that there needs to be a discussion with the GPPOA and to understand if they are going to start fulfilling the maintenance agreement and didn't believe that the District should invest any money for improvements if they're not going to maintain the property and requested that a demand letter be sent to the GPPOA regarding the wetlands, and to set up a meeting with the POA President to get an understanding of what is the intention of the GPPOA in regards to maintenance. Chairman Luczynski further stated that he recalled an extensive plant list of missing or dead plant material that was generated by previous Operations Manager Mike Smith. If the maintenance agreement were to be terminated the District would require that the infrastructure be received in satisfactory condition before the District would accept the maintenance. If the infrastructure were not in satisfactory condition, the District could perform any work needed to bring the infrastructure to an acceptable condition and any of those expenses would be billed to Unit of Development No. 3.

Chairman Luczynski solicited public comments from Mr. Rich Bando who commented that, from a resident perspective, he was not aware of such negligence by the GPPOA, but he did say that there had been new landscape plantings performed at the main entrance of the community.

3. District Operations Manager

Kyle Wilson reported that there was ongoing work related to hurricane damages and the focus was on street lighting and signs as well as tree trimming. He also noted that there have been challenges working with FPL to repair their streetlights that are not working.

4. District Manager

Mr. Crosley advised that the next meeting was scheduled for January 9, 2025, and thanked the entire Board for their support throughout the year and wished everyone a happy holiday.

N. BOARD MEMBER COMMENTS

There were no further comments from the Board Members.

O. ADJOURNMENT

There being no further business to come before the Board, the Regular Board Meeting was adjourned at 12:55 p.m. on a **MOTION** made by Supervisor Lewis, seconded by Supervisor Buckley and passed unanimously.


Secretary/Assistant Secretary


Chair/Vice Chair

WEST VILLAGES IMPROVEMENT DISTRICT

SIGN-IN SHEET

MEETING DATE: December 12, 2024

Please print your name & address below.

Print Name **LEGIBLY**

Address/Company

Bob Hughes

12560 Shubert Cir. Ch. 101

Jennifer Hamilton

12474 Brantley Commons Ct

NEIL BRADY

11799 WOODS ANDRO LN

Larry Cobb

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