



December 13, 2024

RE: Wellen Park Water Use Permit Reallocation / Gran Paradiso Irrigation Litigation

Dear Gran Paradiso Homeowner,

As part of our commitment to keep you informed, we are writing to notify you about the upcoming changes to irrigation water services in your neighborhood. Thomas Ranch Intangibles, LLLP and The Ranch Operations, LLLP (the Ranch) created for Wellen Park the alternative water supply water use permit application and were issued the Water Use Permit by the Southwest Florida Water Management District. For the past three years, the Gran Paradiso Property Owners Association (GPPOA) has consistently exceeded its monthly and annual water allocation, which includes its repumpage allocation, placing undue pressure on the entire irrigation system and violating the water use permit.

Due to the impacts of such actions on the West Villages Improvement District (WVID) – to which the Ranch is an affected party – along with several other factors, the Ranch has made the decision to reallocate our Water Use Permit allocations, which will remove Gran Paradiso’s irrigation water allocations, effective March 2025. We also write to provide context surrounding this decision and the pending legal disputes initiated by Gran Paradiso.

Background on the Litigation

In November 2022, the GPPOA filed a lawsuit against the WVID after the District notified the association of its intent to suspend irrigation water services due to nonpayment of irrigation fees. The GPPOA claims that the rates are unfair and contests the legality of paying the well availability fee, a key component of the water supply agreement.

The Ranch holds the Water Use Permit, issued by Southwest Florida Water Management District, and has an irrigation water supply agreement with the WVID, which in turn provides irrigation services to neighborhoods, including Gran Paradiso. Under this agreement, the WVID is required to charge and collect fees for irrigation water, including a well availability fee. This fee, which is similar to a readiness-to-serve fee that local governments charge, ensures that irrigation users have access to the permitted amount of irrigation water when they need it. It also limits Wellen Park, LLLP’s ability to use groundwater for other purposes, protecting the community’s long-term irrigation water resources.

The well availability fees were established in the 2018 Irrigation Water Supply Agreement between Wellen Park and WVID, and have not been contested by any other neighborhood or property owners’ association within Wellen Park. Indeed, a court order is in place, requiring GPPOA to continue paying these fees during the litigation.

Why Wellen Park, LLLP is Taking Action Now

For over two years, we have hoped for a resolution to this litigation that would be fair for all parties involved. And prior to becoming a named party in the litigation, we had limited legal recourse to intervene, despite being an affected party from the onset. However, we can no longer stand by while the actions of one neighborhood negatively impact the entire Wellen Park community and endanger the Water Use Permit.

While the decision to reallocate some of our Water Use Permit allocation may come as a significant change, it is a decision we have not made lightly and is based on several key considerations:

- **GPPOA’s extensive overuse of water allocation:** Throughout the past three years, GPPOA has consistently exceeded its monthly and annual water allocation, which includes its repumpage allocation, placing undue pressure on the system. (*Repumpage refers to the*

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process of pumping reclaimed water from a retention pond area. Limits are established to ensure water usage stays within sustainable levels and complies with regulatory guidelines.)

- **Sustaining Water Resources:** As the community grows, it is crucial to preserve water resources for the future needs of other neighborhoods within Wellen Park. GPPOA's refusal to abide by regulatory requirements and contractual obligations jeopardizes the Water Use Permit used to provide irrigation water for everyone within Wellen Park.

Why is the water allocation so important to follow?

Water allocations are critical to abide by, as these are established and governed by the Southwest Florida Water Management District. Violating water allocations can lead to legal penalties, including permit revocation. Water allocations also ensure that all users of a shared water source have equitable access to water without harming the water resource. Exceeding water allocations can also lead to negative environmental impacts.

Upcoming Changes

Given these ongoing challenges, effective March 2025, GPPOA will need to find another irrigation water source. This shift empowers the GPPOA to determine the best way to meet the neighborhood's irrigation needs going forward. Based on the GPPOA's actions and decisions over the past two years, we are compelled to make these decisions in the best interest of the entire community of Wellen Park.

What does this mean for you as a Gran Paradiso homeowner?

1. Gran Paradiso's access to irrigation services from WVID via the Ranch's Water Use Permit will end as of March 2025.
2. The City of North Port already provides water to all residents in Gran Paradiso. The residents can contact the City or a contractor to connect their City water service to their irrigation system.

We understand that this change will likely raise questions, and we are committed to ensuring that you have the information available from Wellen Park. Additional information, including a history of the ongoing litigation, is available at wpfactstoknow.com. If you have any concerns or would like further clarification, we encourage you to reach out to us at info@wellenpark.com. We also encourage you to direct any questions about the ongoing litigation and future of irrigation services within Gran Paradiso to the GPPOA Board of Directors. Additionally, and at this juncture, we are evaluating whether this ongoing litigation was even properly authorized by the GPPOA Board in the first instance.

From the very beginning of our role as developer of Wellen Park, we have had and continue to have the best interests of this community in mind. That remains true today notwithstanding the GPPOA's desire to persist with their litigation.

Thank you for your attention as we move forward with this transition.

Sincerely,



Rick Severance
Division President
Wellen Park, LLLP