



December 2024

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

Dear Wellen Park Resident,

This letter has been sent to you in the spirit of transparency regarding upcoming changes to irrigation water services in the Gran Paradiso 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 January 2025. We also write to provide context surrounding this decision and the pending legal disputes initiated by Gran Paradiso.

Wellen Park’s Rights Regarding the Irrigation Water Supply Agreement

The Ranch is an affected party to the lawsuit the GPPOA filed against the WVID in November 2022, due to our Water Use Permit and irrigation water supply agreement with the WVID. The GPPOA filed this lawsuit against the WVID after the WVID 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. GPPOA has also been unwilling to pay the July 1, 2024 adopted irrigation rates, per the approved 2023 rate study, that all other Property Owner Associations (POAs) and Home Owner Associations (HOAs) within the WVID have accepted and paid without issue since they’ve gone into effect.

This agreement requires the WVID to charge and collect fees for irrigation water, including a well availability fee, from neighborhoods that receive irrigation water within the WVID, including Gran Paradiso. 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 well availability fees were established in the 2018 Irrigation Water Supply Agreement between the Ranch and WVID and have not been contested by any other neighborhood or property owners’ association within Wellen Park. The fee, similar to a readiness-to-serve fee that local governments charge, provides WVID with access to all of the available irrigation water subject to the Water Use Permit, and limits Wellen Park, LLLP’s ability to use groundwater for other purposes, protecting the community’s long-term irrigation water resources.

Simply put: This monthly fee ensures that irrigation users in Wellen Park have access to the permitted amount of irrigation water when they need it.

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

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the actions of one neighborhood negatively impact the entire Wellen Park community and endanger the Water Use Permit.

While the decision to relocate 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 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?

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.

I want to reiterate what this does not mean for you:

- It does not mean that irrigation service is being terminated across the District.
- It does not mean that we are overstepping our rights or role as the developer.

From the very beginning of our role as developer of Wellen Park, we have had the best interests of this community in mind. That remains true today notwithstanding the GPPOA's desire to persist with their litigation. Please do not be taken by misinformation regarding this situation.

I welcome your questions, comments and concerns wholeheartedly.

Email me at info@wellenpark.com or visit wpfactstoknow.com for additional information, including a history of the ongoing litigation.

Sincerely,



Rick Severance,

Division President
Wellen Park, LLLP