

MINUTES OF MEETING
WELLNESS RIDGE
COMMUNITY DEVELOPMENT DISTRICT

The August 27, 2025 meeting of the Board of Supervisors of the Wellness Ridge Community Development District was continued to Wednesday, September 10, 2025 at 11:00 a.m. at the Cooper Memorial Library, 2525 Oakley Seaver Drive, Clermont, Florida.

Present and constituting a quorum were:

Adam Morgan	Chairman
Rob Bonin	Vice Chairman <i>by telephone</i>
Brent Kewley	Assistant Secretary
Barry Bichard	Assistant Secretary <i>by telephone</i>
Christopher Forbes	Assistant Secretary

Also present were:

George Flint	District Manager
Jay Lazarovich	District Counsel
John Prowell	District Engineer <i>by telephone</i>
Robert Szozda	GMS-CF
Lisa Krivan	Lennar Homes <i>by telephone</i>
Raea Hollis	Wildan Financial <i>by telephone</i>

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order and called the roll.

SECOND ORDER OF BUSINESS

Public Comment

Mr. Fumasi: I have a question about the irrigation company the City is talking about opening. Can the Board address what we currently pay to the City how this would benefit us? What are the total costs compared to what we are paying now. What are the benefits?

Mr. Flint: What the Board is going to do today is review the policy manual and rate study but the actual public hearing where it will be formally presented by our rate consultant and considered for adoption is going to be set by the resolution that is on the agenda. We can hit on some of the information today, but the more detailed presentation will be at the public hearing at the October meeting. The only thing being approved today is setting the public hearing. It is a higher rate per thousand gallons to encourage people to only use up to the allocation.

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THIRD ORDER OF BUSINESS

Review and Consideration of Policy Manual for Irrigation Utility

Mr. Flint: We presented a draft policy manual to the Board and it goes through and sets the policies and guidelines for the operation of the irrigation utility if and when the irrigation utility goes into operation. This document provides the guidelines for that. When the consumptive use permit was applied for originally for the irrigation consumption, there was a draft of this report that was included with the application.

Mr. Szozda: Some of the main features of it is the operational and billing process for the irrigation system. Very similar to what we did in our other two utilities that we run under a similar manual. Some of the things you will see is consumer conservation and education as a process that needs to be implemented. A process for establishing an account; they have an account with the City of Clermont and they have to get an account with us. All that information is in there. Also, the miscellaneous charges are representative, they are basically out of the rate study or in the policy manual. Details on excessive use, enforcement for non-compliance. One other item it hits on is the watering windows due to the capacity of the system.

Mr. Morgan: How comparable are the rates and miscellaneous charges?

Mr. Szozda: I'm going to say they are typical for us because we are not necessarily onsite 24/7 they may be up a little bit because if we have to take an action we have to come onsite and do the action.

Mr. Flint: The way it is set up under the consumptive use permit every house has an annual allocation of how much water they can use. It is based on 32" of irrigation a year. That 32" per year is equated to an annual allocation, which then is a monthly allocation.

Mr. Morgan: Getting back to the policy manual, if the City of Clermont has not been enforcing the watering policy to the residents and we have residents used to watering even though their bill may be high, they are used to watering without penalty. Are we going to educate them so that now they understand we are taking over the utility and we are going to strictly enforce it because our consumptive use permit requires us to?

Mr. Flint: There is going to be a grace period at the beginning to allow people to get accustomed to the new enforcement. Clermont is subject to the same limit if they were to renew their consumptive use permit they would be held to the same standard we are. I don't know what their existing permit was issued under. Anything being issued now is 32" or less. Our goal with the rates is as long as the homeowner is using up to their annual allocation or less their bill is going

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to be a little lower than what they would pay with Clermont. If the homeowner exceeds their allocation because the rates are set up to encourage conservation what happens is when you exceed your allocation, your per thousand gallons rate is going to jump up.

Mr. Morgan: My experience with Toho is they are very strict on water use. What we encountered were that the meters were set by the landscape company that installed it and the resident moves and they may or may not ever look at their control panel for the irrigation and autopay the water bill and all of a sudden they get a certified letter from Toho saying you are exceeding your water use, we are going to shut your water off in five days if you don't comply. A lot of these people have no idea how to work their system.

Mr. Flint: One of the benefits here is that it is full-service maintenance of the homes. We are working with the HOA who has control and the HOA's vendor would be able to control the irrigation clock on the individual homes.

Mr. Fumasi: We used to be able to file a plan with Floralawn and they would come out and set the clocks and the HOA has recently taken that away from us. They are saying it was never supposed to be in a contract.

Mr. Flint: Part of the plan is that we are going to be working in concert with the HOA and the HOA's vendor to address the irrigation clock issue.

As long as the homeowner is using up to what their allocation is under the consumptive use permit the rate that they pay is going to be the same as it is for Clermont. If they exceed their allocation a super rate will kick in, which is meant to encourage conservation. That rate is higher than Clermont's rate but the goal is to encourage conservation.

FOURTH ORDER OF BUSINESS

Presentation of Irrigation Utility Rate Study

Mr. Flint: You have a draft of the irrigation rate study. Tara Hollis is on the phone and she has been working with staff to prepare this report. We don't intend to do a full presentation today; it is being presented for your review and there will be a formal presentation made at the October meeting when you will consider adopting it.

Mr. Szozda: We need everyone to use their allocation for us to recover the cost to operate the irrigation system. There is an element for capital reserve, we have to repair and replacement over time, the target has been set at \$600,000 over a ten-year period. It is aggressive in recovery

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of capital reserve. Year one when we don't have as many residents contributing it is slower but it will go up from there. The study includes the monthly projections for each product type.

Mr. Flint: The question on the rate comparison, if you look at Exhibit 5 this shows based on your lot size at various consumption levels what your bill would be with Clermont and what your bill would be under these rates. Until you exceed your allocation the rates are a little over 2% lower than Clermont's. When you hit the allocation the next block kicks in.

Mr. Morgan: Are the meters already in place?

Mr. Flint: Yes.

Mr. Szozda: They are Neptune meters, cellular so we can see the readings everyday if you want to see them. There is pretty good leak detection process within these meters as well.

Mr. Flint: We will be looking at high reads, no reads and low reads. The other thing I want to point out is the City of Clermont based on recent communication we had with them, they indicate they are still evaluating their options. Anything you are doing is subject to Clermont's eventual approval. What we are doing is initiating a rate process to have a rate in place so that it is in place when the time is necessary to make the transition. There is an interlocal agreement between the city and the CDD that defines who is responsible for what. That is still being negotiated. We are going forward with the rate study to get rates approved so they can be implemented when the time is necessary, but I don't think we have a definite date of when we are making that transition.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2025-10 Setting a Public Hearing for Adoption of Rates and Policy Manual for Irrigation Utility

Mr. Flint: The blanks in the resolution indicates October 22, 2025 at 11:00 a.m. in this location.

On MOTION by Mr. Morgan seconded by Mr. Kewley with all in favor Resolution 2025-10 Setting a Public Hearing for Adoption of Rates and Policy Manual for Irrigation Utility for Wednesday, October 22, 2025 at 11:00 AM at the Cooper Memorial Library, was approved.

SIXTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

SEVENTH ORDER OF BUSINESS

Supervisor's Requests

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Mr. Lazarovich: I received an email from the County this morning in response to my email Interlocal. I have a call set up for 4:30, I think they just have a couple cleanup items.

EIGHTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Morgan seconded by Mr. Kewley with all in favor the meeting adjourned at 11:24 a.m.

DocuSigned by:
George Flint

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Secretary/Assistant Secretary

DocuSigned by:
Adam Morgan

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Chairman/Vice Chairman