

RESOLUTION NO. 2024-140

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING A ONE-YEAR INCREASE, UP TO AND INCLUDING MAY 27, 2025, OF THE NINE-YEAR REFUND PERIOD FOR THE WATER UNIT CONNECTION REFUND AGREEMENT BETWEEN ST. JOHNS COUNTY AND LENNAR HOMES, LLC, APPROVED BY ST. JOHNS COUNTY RESOLUTION NO. 2019-294.

WHEREAS, Section 25.G of the St. Johns County Utility Ordinance, Ordinance No. 2022-37 (“Ordinance”), provides for the refund of unit connection fees for transmission mains installed by a Developer pursuant to a written refund agreement between the County and the Developer, with a maximum refund period of nine (9) years, if the actual construction value of the contributed transmission main is greater than \$1,000,000 and less than \$4,000,000; and

WHEREAS, St. Johns County (“County”) and Lennar Homes, LLC (“Lennar”) have entered into a Water Unit Connection Fee Refund Agreement (“Agreement”), approved by St. Johns County Resolution No. 2019-294, providing a retroactive refund period of nine (9) years, from May 27, 2015 through May 27, 2024; and

WHEREAS, Lennar has requested an increase in the refund period for the Agreement as allowed under the Ordinance due to slow growth in the refund area during the current refund period; and

WHEREAS, Section 25.G(3) of the Ordinance allows for an increase in the refund period in increments of one (1) Year, up to a maximum total of twelve (12) years, by resolution of the Board of County Commissioners (“Board”) upon a determination that such increase is in the County’s best interest; and

WHEREAS, the contributed water transmission mains provide regional benefits to the County utility system, including better water quality, pressure, and reliability; and

WHEREAS, the Board has determined that increasing the refund period for the Agreement for a one (1) year increment, up to and including May 27, 2025, is in the County’s best interest.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. The above Recitals are hereby incorporated into the body of this Resolution, and are adopted as Findings of Fact.

Section 2. The Board of County Commissioners hereby approves increase in the refund period of one (1) year, up to and including May 27, 2025, for the Water Unit Connection

Fee Refund Agreement between Lennar Homes, LLC and St. Johns County, approved by St. Johns County Resolution No. 2019-294.

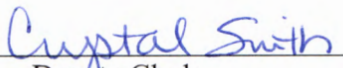
PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, Florida, this 2nd day of April, 2024.

**BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA**

By: 
Sarah Arnold, Chair

Rendition Date: APR 03 2024

ATTEST: Brandon J. Patty, Clerk of the Circuit Court & Comptroller

By: 
Deputy Clerk



LENNAR®

7411 Fullerton St. Suite 220, Jacksonville, FL 32256

904-239-0388

February 20, 2024
Mrs. Teri Shoemaker
St. Johns County Utilities
1205 SR 16, St. Augustine FL 32084

RE: Water Unit Connection Fee Refund Agreement Extension RES 2019-294

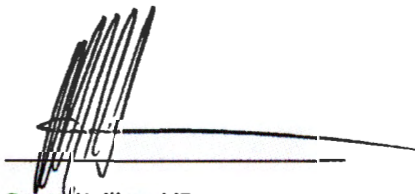
Mrs. Shoemaker,

This letter is a request to extend the water unit connection fee refund agreement dated May 27, 2015 (Refund Agreement). As discussed, Lennar incurred substantial expenditures for the construction of two water mains designed to serve the region (not just Lennar). In consideration of Lennar's substantial upfront investment, St. Johns County established a framework so that Lennar could recover its capital investment.

On this note, we both recognize that Lennar's good faith investment to serve the region resulted in a surplus of refund credits for future water unit connection fees. Unfortunately, the agreement will expire prior to Lennar utilizing its "fair share" of refund credits, prior to the expiration of the agreement. From an engineering perspective, these refund credits still exist because water capacity still exists due to Lennar's upfront investment. For these reasons, Lennar seeks to extend the agreement to a timeframe that reflects a more reasonable window of opportunity for Lennar to recoup a greater amount of the credits.

In conclusion, Lennar appreciates the working relationship with St John's County and seeks to continue this relationship by working in good faith to extend the Refund Agreement. The good faith extension should be made in a manner that is symmetrical and fair to our upfront investment, so we are asking for an extension of four years from the current expiration date of May 27, 2024 (May 27, 2028). It's worth noting that both parties acknowledge Lennar incurred substantial expenditures to confer a benefit to the region. Since both parties agree that capacity exists, there is not a logical reason to not consider the extension of the agreement.

Thank you again for your time and look forward to hearing from you!



Scott Keiling, VP

