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Reply To: St. Petersburg

April 16, 2026

VIA E-MAIL ONLY: adamsc@whhassociates.com
Mr. Chuck Adams
District Director Wildblue Community Development District
Wrathell, Hunt and Associates, LLC

RE: Wildblue Community Development District vs. FL Wildblue LLC, et al.
Lee Co. Case No. 25-CA-0001837

Dear Mr. Adams:

I have been asked to provide a written summary of the outcome of the Defendants' Motion for Summary Judgment, the current status of the commercial property, and the CDD's options moving forward. To understand the Judge's oral ruling and how we intend to proceed to a written final judgment, a brief understanding of the history of this dispute is important. I request you provide a copy of this letter to each board member in advance of the shade session scheduled for April 16, 2026.

The CDD initially approached LLW regarding the South Florida Water Management District Permit issued to the Developer. This permit allowed for a storm water management system of dry retention on the commercial parcel and then discharge into the CDD's stormwater management system at Lake H-2.[1] This permit did not require any modification to the lake and no permission was sought from the CDD. Carl Barraco and Tim Gavin were surprised by SFWMD issuing this permit because they were not notified of the modification to the CDD's system. Due to this and potential concerns relating to the permit's proposed modifications to the CDD's system, the CDD authorized LLW to challenge the permit in August 2024.

LLW successfully filed a Petition with SFWMD which was transferred to the Division of Administrative Hearings. From there, discovery ensued. During discovery, LLW uncovered two important matters that led SFWMD to conclude the Developer had a sufficient property interest to drain into Lake H-2 without CDD approval, or even notice to the CDD. First, the SFWMD

[1] In the civil lawsuit – Lake H-2 was referred to as the "Pulte Lake."

reviewed the Declaration of Covenants Restrictions and Easements of Wildblue and determined that the commercial parcel was a member of the Master HOA and therefore had a right to drain into the lakes. Second, there was the Easement. According to the SFWMD, the Easement was without restriction.

LLW then determined that the Declarations had been amended removing the commercial parcel from the Master Association and that as a result, the commercial parcel was without any rights to drain into the lake. The Easement appeared to provide the permission that was lost when the Declarations were amended. However, the Easement appeared to be conditioned on the commercial parcel being developed according to two permits which had been previously issued – one to Alico East Fund and one to Pulte. Both of those permits have since expired.

Based on this review of history, LLW recommended to the CDD board to abate the DOAH proceeding and bring a civil lawsuit in Circuit Court to have the Court construe the Easement. Our position was that the Easement ***required*** the commercial property owner to expand Lake H-2 into the commercial parcel as a condition to discharging into Lake H-2. The Defendants took the opposite position. The Second Amended Complaint contained 4 Counts:

Count I: We requested the Court to declare what rights, if any, the Developer has to use Lake H-2 under the Easement; and that if the Developer has any rights to use Lake H-2, that those rights are limited to the terms of the Easement, *and* declaring that the Developer has no right to use Lake H-2 without written permission from the CDD.

Count II: We requested the Court declare that the Easement requires the Developer to enlarge Lake H-2 pursuant to the Permit referenced in the Easement (ERP No. 36-05075-P-04), and because this Permit is expired, the Developer has no rights to use Lake H-2 under the Easement. *There was an alternative request to this Count that the Developer may use Lake H-2 ***if*** they obtain a ***new permit*** that requires construction consistent with the permit referenced in the Easement.*

Count III: We requested a preliminary injunction to prevent the Developer from constructing the project authorized by the SFWMD permit.

Count IV: We sought a permanent injunction preventing the Developer from relying upon the Declaration of Covenants and the Easement to provide reasonable assurances to obtain a permit without the CDD's written consent.

As you know, the Defendants quickly moved for summary judgment on all four counts without performing any discovery.[2] The judge provided her ruling on April 13, 2026. Her ruling included ***granting*** the Developer's summary judgment request as to Counts III and IV because she viewed them as "preliminary." In other words, there was no need for an injunction because the Developer had not yet performed any acitvities on the parcel to enjoin and the injunction wasn't necessary given her other rulings. She ***denied*** summary judgment to the Developer on Counts I and II. This denial rendered the injunction counts unnecessary because the Developer was unable

[2] The Defendants also moved for sanctions against the CDD and LLW for bringing this lawsuit.

to perform the actions under the SFWMD permit. Due to this ruling, we requested the Court ***grant*** the CDD summary judgment as to Counts I and II, which she did. The judge determined that the Easement clearly contained a requirement to expand Lake H-2 pursuant to the P-04 Permit which had expired. She found the Easement would be triggered and perpetual only if Lake H-2 is expanded consistent with the P-04 Permit and the Easement is being used for the expansion, maintenance, repair, replacement, and operation of the Lake. Based on the undisputed facts, the Developer is not entitled to drain into Lake H-2 because it has not met those requirements.

What does this mean for the CDD?

Due to the Court granting summary judgment as to Counts I and II, the Developer lacks a sufficient property interest to obtain a permit from SFWMD to drain into Lake H-2. In order to obtain such a property interest, the Developer would ***at a minimum*** need to seek a new permit for construction on the commercial parcel consistent with the P-04 permit. ***Any deviation*** from the P-04 permit would require the Developer to obtain written consent from the CDD.

It is important to understand that the Court ***granted*** the CDD's Counts I and II. This means that the request for relief that was sought in those counts is the relief the CDD was granted. The court declared the rights of the parties under the Easement including that any rights the Developer has are limited to the Easement terms (Count I). The Court found that the Easement requires the lake expansion ***pursuant to the terms of the SFWMD Permit No. 36-05075-P-04***, and because that permit has expired, the Developer ***does not have*** the right to use Lake H-2. However, the Developer may use Lake H-2 if they obtain a new permit that requires ***construction consistent with the permit*** referenced in the Easement. If they seek a permit that includes construction inconsistent with the permit referenced in the Easement – the Developer would need to obtain written consent from the CDD to drain into Lake H-2 (Count II).

Resident Concerns

Following the hearing, it was brought to my attention that residents took to social media to report the outcome of the hearing. I have been requested to respond to some of these comments, and having read some of the comments, I think it important to correct the residents' misunderstanding of what transpired.

- "Both Injunctions denied. The developer may seek SFWMD permits to drain into Lake H-2 without the CDD's approval."

It is true that the injunction counts were denied. They were denied as premature (no construction happening) and due to the judge's other rulings. It is important to stress that the judge's interpretation of the Easement language and her recitation of her position on the Easement resulted in her ***denying*** the Developer's motion for summary judgment. In other words, she disagreed with their interpretation. She determined that among other things, lake expansion was a requirement under the Easement in order to use Lake H-2 in perpetuity. Absent lake expansion, there was no right to drain into Lake H-2. For this reason, the Developer was not entitled to judgment as a matter of law.

Separately, we requested summary judgment in our favor based on her interpretation of the Easement. The judge did not grant, order, determine, etc., that the Developer could simply get a permit that expanded Lake H-2. At no point during the hearing was this ordered and neither party has requested this relief. As noted above, because of the judge agreeing with our interpretation of the Easement, she granted the request for relief sought in the Second Amended Complaint, most importantly, that the Easement required lake expansion pursuant to a permit that is now expired. In order for the Developer to use the Easement, they would need to obtain a permit for ***construction*** that is consistent with P-04. P-04 was designed with specific area for dry retention and specific areas for the improvements or buildings. Should the Developer wish to construct or develop the property in a manner inconsistent with P-04, and drain into the Lake, they would need to obtain written approval from the CDD.

- "Easement is perpetual. The judge ruled the 2019 easement has not expired."

This is a misunderstanding of what the judge was doing with her "ruling." The judge was explaining that ***in order*** for the the Easement to be "perpetual", the commercial property owner must perform all of the requirements identified in the Easement. The judge stated "[i]t's not a condition, it's not conditional or unconditional. It's ***if you want to have the irrevocable, non-exclusive and perpetual easement***, it is for the expansion, maintenance, repair, replacement and operation." The Developer was asking the judge to grant them the right to use the Easement ***without*** expanding the lake. The judge disagreed. The "ruling" was to deny the Developer the request they sought. Not to grant the Developer the right to use the lake if they first expanded it. Again, neither party requested this relief.

- "Lake expansion is required. The judge confirmed the easement includes all recitals – meaning the developer must expand Lake H-2 before exercising drainage rights."

While not entirely accurate – my details above should suffice to address this comment.

- "Bottom line: The developer can drain commercial stormwater into our CDD's water system as long as they expand Lake H-2 as required by the easement."

For the reasons already stated – this is not accurate. The judge did not grant, rule, order etc., that all that is needed is lake expansion. The important ruling regarding this point is found in Count II. That the Easement requirements were pursuant to the P-04 permit, which is expired. The Developer would need to obtain a permit consistent with the P-04 permit that is more than simply expanding the Lake. Anything inconsistent with the P-04 permit, and that includes drainage into Lake H-2, will require written CDD permission. The judge interpreted the Easement to *not* require Lake H-2 to "just accept" all surfacewater runoff.

- "The counts in their legal filings seeked (sic) to invalidate and call the easement null and void as the primary mission, just read it. Did that happen? That's a big hell nope."

It is true that the complaint initially filed in April of 2025 (First Amended Complaint) requested the Court declare the Easement void. However, we amended the First Amended

Complaint which was deemed filed on June 18, 2025. Count II's request for relief was amended to its current request identified above. So while it is true that the Easement was not "voided", it is more important to acknowledge the Developer does not have a right to use the Easement because the permit that the Easement is based on is expired.

Next Steps

The Court has given us until May 5, 2026 to provide a proposed summary judgment. Once entered, we will need to return to the DOAH proceeding to provide the administrative law judge with the final judgment demonstrating that the Developer does not have a sufficient property interest to drain into Lake H-2. At this time, we are not sure how the Developer of SFWMD intends to deal with this issue.

The Parties are still free to come to a settlement. While there is no requirement to mediate under the circuit court action in light of the summary judgment ruling, there is no prohibition on moving forward with mediation. The parties could also discuss settlement informally outside of mediation.

Should you have any questions or need additional information, please contact our office. Thank you for your attention.

Best regards,

Richard P. Green

Richard P. Green, Esq.
LEWIS, LONGMAN & WALKER, P.A.

Cc: Sarah Hilliard
Wes Haber