



MEMORANDUM TO VENICE CITY COUNCIL

THROUGH CHARTER OFFICER: Edward Lavalley, City Manager **E-SIGN:**
FROM: Javier Vargas, Utilities Director, and R. David Jackson, Assistant City Attorney
DEPARTMENT: Utilities Department
DATE: November 30, 2023 **MEETING DATE:** Tuesday, December 12, 2023

SUBJECT / TOPIC: First Addendum to Utility Upsizing and Reimbursement Agreement with Meritage Homes of Florida, Inc.

BACKGROUND INFORMATION: Meritage Homes of Florida, Inc. (“Meritage”) is currently developing a residential project within the City of Venice, northeast of Interstate 75 in the vicinity of Rustic Road (the “Project”). On February 14, 2023, the City and Meritage entered into a Utility Upsizing and Reimbursement Agreement (“Agreement”) under which Meritage would construct and upsize certain infrastructure, more specifically a sewer lift station near Knights Trail Road, in order to provide adequate wastewater service for the Project, as well as anticipated future development in the area, and the City would reimburse Meritage for the additional costs associated with the upsizing of the lift station. In addition, the Agreement contemplated the City’s plans to construct an additional 16-inch sewer force main along Knights Trail Road that will eventually provide service to the Project and other anticipated future development in the area (the “Knights Trail Road Force Main”). The Agreement specified that the City would reimburse Meritage for costs associated with the construction of the Knights Trail Road Force Main, subject to the parties entering into an addendum to the Agreement. Subsequently, Meritage has requested that the Rustic Oaks Community Development District (the “CDD”) be permitted to perform Meritage’s obligations under the Agreement regarding the Knight Trail Road Force Main.

STAFF RECOMMENDATION: Under the proposed Addendum, the CDD shall assume Meritage’s obligation to construct the Knight’s Trail Road Force Main as provided for under the terms of the Agreement. The CDD’s assumption of this obligation is subject to the City and the CDD entering into an Interlocal Agreement within thirty (30) days of the effective date of the Addendum setting forth the terms and conditions of the CDD’s obligation to construct the Knight’s Trail Road Force Main and the City’s obligation to reimburse the CDD for the construction.

Meritage has approved the Addendum and it is anticipated that it will be executed by Meritage prior to the City Council meeting. Accordingly, the Addendum between the City and Meritage is provided for approval by the City Council and execution by the Mayor.

SUPPORTS STRATEGIC PLAN: Goal Four: Upgrade and Maintain City Infrastructure and Facilities

COUNCIL ACTION REQUESTED: For Council Adoption by Consent Motion

Original(s) attached: First Addendum to Utility Upsizing and Reimbursement Agreement

Cc: Kelly M. Fernandez, City Attorney
Kelly Michaels, City Clerk
Linda Senne, Finance Director
James Clinch, Assistant City Manager

Review of Contract Routing Tracker:

(Initial or Signature to indicate your Review/Approval)

Finance Department Reviewed: [s]	<i>Peter Boers</i>	N/A
Risk Management Reviewed: [s]	<i>Linda Sene</i>	<input checked="" type="checkbox"/>
City Attorney Reviewed: [s]	<u><i>Roy David Jackson, Jr.</i></u> <small>Roy David Jackson, Jr. (Nov 30, 2023 11:30 EST)</small>	<input type="checkbox"/>
City Manager Reviewed: [s]	<u><i>Edward Lavallee</i></u> <small>Edward Lavallee (Dec 4, 2023 09:44 EST)</small>	<input type="checkbox"/>

Funds Availability (account #): n/a 421-1202-536.63-00
Project #: UT2042
