New Port - Tampa Bay Community Development District

c/o PFM Group Consulting LLC, 3501 Quadrangle Blvd., Suite 270, Orlando, Florida 32817

March 27, 2026

Via Email and FedEX Overnight Delivery

Westshore Marina District Master Association, Inc.
c/o Triad Association Management
918 W Main St.
Leesburg, FL 34748
Attn: Lisa Dixon, LCAM, CMCA
LDixon@TRIADassocmgmt.com

Re: Termination of Infrastructure Operating Agreement

Dear Lisa:

At the special meeting of the Board of Supervisors (the "**Board**") of the New Port - Tampa Bay Community Development District ("**District**") held yesterday on Thursday March 26, 2026, the 3 resident Board members voted to terminate the *Infrastructure Operating Agreement dated February 7, 2017*, between the District and the Westshore Marina District Master Association, Inc. (the "**Master Association**"), with an effective termination date of January 1, 2027, in accordance with the 270-day notice requirement, unless the Master Association and other relevant parties agree in writing to the below 4 key terms by Thursday April 2, 2026 (in which case the termination will automatically be rescinded).

1. The Master Association agrees to utilize as the beginning calculation of contributing Equivalent Residential Units (ERU's) of approximately 1,311. The ERU breakdown is attached for your review.
   a. The reserve portion of annual assessments must be allocated across all agreed to ERU's on a 1 for 1 basis since all ERU's reap full benefit of roads and seawalls. Attached is an example of how the math would work based on 2026 budgeted expenditures.

2. The Master Developer, Tower 2 Landowner, and/or Tower 3 Landowner will contribute* (either together or one entity may contribute the entire amount) $150,000.00 on an annual basis for the Master Association's budget.
   a. Beginning on January 1, 2027 or upon the issuance of the NOC (Notice of Commencement) for Tower 2, whichever comes first.
   b. Paid quarterly in installments of $37,500.
   c. When Tower 2 receives a TCO (Temporary Certificate of Occupancy), the next quarter, the owners of the Tower 2 units will begin to pay their proportionate share of assessments based on the formula in the master declaration, and the Master Developer and/or Tower 3 Landowner will contribute $37,500 per quarter
   d. When Tower 3 receives a TCO, the next quarter, the owners of the Tower 3 units will begin to pay their proportionate share of assessments based on the formula in the master declaration and the Master Developer and/or Tower 3 Landowner will have no further obligations to provide contributions.

3. The Master Developer or Marina Developer agrees to pay* the Master Association's assessment for the entire Marina (159 slips) until the Master Association turns over to resident control. For clarification, the current marina slip owners will not have any master association dues passed through

to them from the marina entity and said dues will be borne fully by the Master Developer or Marina Developer.

4. Budget Oversight:
    a. No later than September 1 of each year the Master Association shall submit its proposed annual budget to the District for review.
        i. The budget package shall include line-item detail, calculations, supporting documentation assumptions, reserve information, current and proposed contracts, historical actuals, and such additional backup as the District may reasonably request.
    b. For any services related to the agreement, the Master Association shall not enter, amend, renew, or materially modify any service, maintenance, management, or improvement contract involving annual aggregate expenditures in excess of $30,000.00 without prior written approval of the District. The District approval includes the District's ability to approve or adjust the annual Reserve budget line item.
    c. District must also approve the dues assessment allocation calculations and formula each year.

**Any time the Master Association's budget increases beyond its current budget as of the date of this letter, then the contributions (and quarterly installments) or payments of assessments shall be adjusted by the same percentage of the increase of the budget.*

The District is aware that the Master Association interprets the termination language differently; believing that the initial 50-year term of the agreement cannot be terminated. However, as discussed between the District Counsel and the Master Developer's counsel, the District Counsel informed the Board of the established principle that elected officials cannot bind subsequent boards under agreements such as this one where the services being provided are governmental and legislative (as described in Chapter 190, Florida Statutes) rather than proprietary services like water supply, gas supply, or streetlighting (which would require a reasonable term) or for the construction of capital infrastructure; and if such agreements are not able to be terminated after the original Board made the agreement then they are likely to be found void (especially for special-purpose units of government that do not enjoy broad home rule powers).

If the automatic rescinding of the termination as outlined in this letter is not triggered, the District intends to engage an assessment methodology consultant to provide their recommendation to the Board so that the District will have its budget and assessments in place to assume the responsibilities as of January 1, 2027.

The 3 resident Board members did not want it to come to this, but they felt like they had no choice but to terminate the agreement because of the numerous concerns that have been communicated (see the attached original motion, which was revised by the board, and reasoning drafted by Board Member Ronald Swichkow which summarizes many of the issues) to the Master Association and the Board's duties and responsibilities to their constituents. The Board approved the draft First Amendment to the Infrastructure Operating Agreement to extend the termination notice period to give the parties more time to come to a resolution, but unfortunately the Master Association chose to not sign it and instead communicated, for the first time despite months of communications and progress, that they disagreed with the District's position on the termination provision.

As the Master Association has been made aware of, the residents and members of the Master Association have brought up other concerns with the Master Association (including irregularities and inconsistencies with the Master Association's assessments and operations); those actions are not within the purview of the District as the District does not have any financial or operational oversight of the Master Association or any oversight under the current agreement, but it was the hope that the parties can come to a mutual agreement that addresses the major concerns so that the other issues would likely not be worth the time, effort, or resources to fuss about.

The District has been negotiating in good faith with the Master Association and hope that the Master Association and relevant parties will agree to the above terms to avoid the need for the termination and the disruption it may cause.

Sincerely,
Jane Gaarlandt
District Manager
Gaarlandtj@pfm.com
(407) 723-5900

cc via email: Board of Supervisors of the New Port – Tampa Bay CDD
Vivek K. Babbar, District Counsel, vbabbar@srvlegal.com
Noah Breakstone, Master Association President, nbreakstone@btipartners.com
Kevin Mays, Master Association Vice President, kmays@btipartners.com
Dominic Pickering, Master Association Secretary, dpickering@btipartners.com
Michael C. Eckert, Counsel to Master Developer, michael.eckert@kutakrock.com

Enclosures: ERU Breakdown
Example of assessments and contributions based on 2026 budgeted expenditures
Original motion and reasoning drafted by Board Member Ronald Swichkow

ERU Breakdown

			Agreed #
			2/12/2026
RESIDENTIAL:			
Related (396)			396
Bainbridge (351)			351
Lennar Westshore (35)			35
Lennar Inlet (108)			108
Tower 1 (125)			125
Tower 2			158
Tower 3			123
BTI Flat Contribution			
Non Residential			
@ 1 : 2,200 SQ FT			
Developer 2500 SF			
Marina Landings 23,870 SF			10.85
Commercial Space, Tower 1 2,600 SF			1.22
Sales Center 2,000 SF			0.91
Restaurant / Hotel			1.66
Marina 159 leased slips			0
			1310.64

Example of assessments and contributions based on 2026 budgeted expenditures

			ACTUAL ASSESSED 2026 BUDGET (A)			OPTION 1 CDD Takes over Assessment & Collection					Option 6: Apt 50%, BTI Flat Contrib, reserve spread evenly over ERU's (col D)							
			UNDER MASTER ASSOCIATION VALUE COUNT METHODOLOGY			UNDER CDD ERU METHODOLOGY MATCHING O&M ALLOCATION			SSESSMENT INCREASE OR (DECREASE		Marina pays per formula							
			PER MASTER ASSOCIATION SELF-AUTHORED DECLARATION			PER STATUTORY METHODOLOGY (Fla. Stat. § 190)			IF 2026 BUDGET WAS UNDER CDD									
			Adopted 2026 Master Association Budget			2026 Master Association Budget			2026 Master Association Budget									
	Agreed # 2/12/2026	Total Units	Allocated Share Excluding T2 and 3	Assessment Allocation $ **Excl. T 2 & 3**	Assessment Allocation % **Excl. T 2 & 3 and marina**	County ERUS **T 2 & 3 are included**	Assessment Allocation $ **T 2 & 3 are included**	Assessment Allocation % **T 2 & 3 are included**	% Change	$ Change	Blended **see above**	Assessment **Excluding Reserve**	Reserve Portion **(all 1:1 ERUs)**	**Total Assessment**	$ Change **From Actual 26 Budget**			
RESIDENTIAL:																		
Related (396)	396	396	198	$170,540.17	28.52%	396	$183,223.55	30.64%	7.44%	12,683.38	198	$103,760.43	$32,027.10	$135,787.53	(34,752.63)			
Bainbridge (351)	351	351	175.5	$151,160.60	25.28%	351	$162,402.69	27.16%	7.44%	11,242.09	175.5	$91,969.48	$28,387.66	$120,357.13	(30,803.47)			
Lennar Westshore (35)	35	35	35	$30,145.99	5.04%	35	$16,195.62	2.71%	-46.28%	(13,950.37)	35	$18,341.49	$2,830.68	$21,172.17	(8,973.82)			
Lennar Inlet (108)	108	108	108	$93,021.91	15.56%	102	$47,192.32	7.89%	-49.27%	(45,829.59)	108	$56,596.60	$8,734.66	$65,331.26	(27,690.65)			
Tower 1 (125)	125	125	125	$107,664.25	18.01%	125	$57,835.72	9.67%	-46.28%	(49,828.53)	125	$65,505.32	$10,109.56	$75,614.89	(32,049.36)			
Tower 2	158		0	$0.00	0.00%	158	$73,104.34	12.23%	no div by zero	73,104.34			$12,778.49	$12,778.49	12,778.49	BTI	A	A+B+C=150,000
Tower 3	123		0	$0.00	0.00%	114	$52,746.17	8.82%	no div by zero	52,746.17			$9,947.81	$9,947.81	9,947.81	BTI	B	
BTI Flat Contribution				-	-						Flat				127,274.00	BTI	C	
		1015		-	-													
Non Residential				-	-													
@ 1 : 2,200 SQ FT				-	-													
Developer 2500 SF				-	-													
Marina Landings 23,870 SF	10.85	10.85	10.85	$9,345.26	1.56%	8.49	$3,926.31	0.66%	-57.99%	(5,418.95)	10.85	$5,685.86	$877.51	$6,563.37	(2,781.88)			
Commercial Space, Tower 1 2,600 SF	1.22	1.22	1.22	$1,050.80	0.18%	0	$0.00	0.00%	-100.00%	(1,050.80)	1.22	$639.33	$98.67	$738.00	(312.80)			
Sales Center 2,000 SF	0.91	0.91	0.91	$783.80	0.13%	1.2	$555.22	0.09%	-29.16%	(228.57)	0.91	$476.88	$73.60	$550.48	(233.32)			
Restaurant / Hotel	1.66			$0.00	-	1.66	$768.06	0.13%	no div by zero	768.06	1.66	$869.91	$134.26	$1,004.17	1,004.17			
Marina 159 leased slips	0	159	39.75	$34,237.23	5.73%	zero, non-assessible			0	(34,237.23)	39.75	$20,830.69	$0.00	$20,830.69	(13,406.54)			
	1310.64		694.23			1292.35					695.89							
						1292.35												
Master Association Budget to cover for 2026 with reserve			**$597,950.00**	*$597,950.00*	*100.00%*		*$597,950.00*	*100.00%*		$ -		$364,676.00	$106,000.00	$470,676.00	$0.00			$470,676.00
Split up between reserve and operations			$491,950															
			$106,000			Less Reserve	($106,000.00)					$106,000.00						
						Less BTI Flat Payment	($127,274.00)					$127,274.00						
What happens when restauranr/hotel property get developed? How does assessment get increased?						plus rerserve portion												
At what point does T3 go to 100% (see option 2)						totals 150k	$364,676.00					$597,950.00						
														127,274.00	C-(B+A)=	127,274		
											Ttoal BTI contr. 150,000							
														$597,950.00				

Original motion and reasoning drafted by Board Member Ronald Swichkow

Motion to terminate infrastructure management agreement March 26, 2026

Months ago, I identified that the prior management company for the master association had been assessing dues to certain parcels incorrectly. This discovery led me to review the broader assessment structure and methodology. As an elected official of the CDD, I believe the CDD has oversight responsibilities based on the governing documents and overall entity structure, and that I, along with the other Board of Supervisors have a fiduciary obligation to continue examining these issues.

After these matters were raised, the prior management company resigned immediately. That development heightened my concerns regarding potential underlying issues that may not yet have been fully identified. Based on what I have reviewed to date, I have limited confidence in the ability of a developer-controlled master association board to administer the District fairly and properly.

At the subsequent CDD meeting, there was agreement to engage qualified outside counsel, working alongside Vivek as district counsel, to evaluate whether the developer-controlled master association board could exclude from assessment its own undeveloped parcels, specifically the Tower 2 and Tower 3 parcels. That exclusion resulted in financial harm to certain property owners while financially benefiting the developer, with all related decisions made by the developer-controlled master association board.

I reviewed all aspects of whether the CDD had standing to challenge the operational and financial concerns that had been raised. After extensive discussion with both Vivek and outside counsel, it became apparent that the structure established by the developer materially limited the CDD's ability to exercise meaningful oversight. This included restrictions on the CDD's authority to address dues assessment methodology, financial management, budgeting, and vetting processes, notwithstanding the CDD's authorization by the City of Tampa and the State of Florida.

As a general matter, it is customary for CDDs to control the operation, maintenance, and funding of their districts. This typically includes assessing and collecting dues through the county taxing authority and overseeing district infrastructure by engaging management firms to handle operations. While the Operating Agreement established at the time by the developer-controlled CDD states it its recitals that the master association structure was established for efficiency in managing CDD property and collecting assessments, my review suggests that the structure instead acted to preserve developer control over district operations, to enable inequitable allocation of assessments to the developer's benefit, and to effectively limit the intended role of the CDD as a quasi-public entity by circumventing them through this transfer of responsibility.

In my view, failure by the CDD board to address these recently uncovered issues could expose the CDD and its board members to liability for failing to uphold the obligations imposed by the CDD's charter under Florida law and the duties of elected officials.

Based on discussions with Vivek and outside counsel, the only viable option available under the current structure is to invoke the termination provisions of the existing management agreement, as set forth in that agreement. Our approved motion to reach an agreement to shorten the 270 day notice requirement was unsuccessful as the Developer refused to sign said agreement.

Accordingly, based on my belief that the current master association structure and the related management agreement were created under developer control, that the agreement spans a 50-year term, that the structure has limited the application of Chapter 190, Florida Statutes, and that there have been ongoing deficiencies in dues assessment practices dating back to 2020, I move that the termination clause contained in the infrastructure operating agreement between the CDD and the master association be invoked. I further move that the master association be immediately provided formal notice of termination, with an effective termination date of January 1, 2027, in accordance with the 270-day notice requirement.