



August 22, 2017

The Honorable John A. Miklos  
Chairman, St. Johns River Water Management District Governing Board  
P.O. Box 1429  
Palatka, FL 32178-1429

Dear Chairman Miklos:

The City of Cocoa ("Cocoa"), Orange County, Orlando Utilities Commission, East Central Florida Services, Inc., and Tohopekaliga Water Authority are public water suppliers (collectively the "Public Water Supply Mediation Participants") taking part in a mediation process involving Taylor Creek Reservoir ("TCR"). The water supply project that has been agreed to as part of the mediation is referred to as the "TCR/SJR Water Supply Project."

The mediation includes the disputes being litigated in St. Johns River Water Management District v. Farmland Reserve, Inc., Case No. 2009-CA-21687-O (Fla. 9th Cir. Ct.) ("Lawsuit"). One issue in the Lawsuit is whether the water stored in the TCR can be used for public water supply under existing easements granted to St. Johns River Water Management District ("SJRWMD") or whether an additional easement from Farmland Reserve, Inc. ("FRI") would be necessary.

The Public Water Supply Mediation Participants and FRI will settle their mediated issues through execution of the agreements that are listed on attached Exhibit "A" ("TCR/SJR Project Agreements"). Contemporaneously with the execution of the TCR/SJR Project Agreements, FRI will also grant Cocoa a permanent public water supply flowage and storage easement authorizing Cocoa to continue to flow, store and withdraw water from TCR for Cocoa's public water supply purposes independent of the TCR/SJR Water Supply Project ("Cocoa Permanent Easement"), Item 8 in Exhibit "A".

FRI and SJRWMD have reached a settlement in the Litigation under which SJRWMD would abandon, through dismissal of the Lawsuit, the claim that SJRWMD has easements allowing the water stored in TCR to be used for public water supply. The dismissal would occur after execution of the TCR/SJR Project Agreements and, in accordance with those agreements, FRI grants a public water supply flowage and storage easement in trust ("Public Water Supply Easement In Trust") to Cocoa, which Cocoa will hold for the benefit of all the Public Water Supply Mediation Participants. The Public Water Supply Easement In Trust to Cocoa grants in trust to a public entity, Cocoa, a water storage easement with multiple public water suppliers being the beneficiaries of the new easement in trust.

**COUNTY ADMINISTRATOR'S OFFICE**

201 South Rosalind Avenue • Reply To: Post Office Box 1393 • Orlando, Florida 32802-1393  
Telephone 407-836-7370 • FAX 407-836-7399 • countyadmin@ocfl.net

There were a number of alternatives considered for the timing of the dismissal of the Lawsuit including an alternative that would not have dismissed the lawsuit until after the permitting of the TCR/SJR Water Supply Project was completed. Dismissal of the Lawsuit, whenever it occurs, will have the effect of forever abandoning SJRWMD's claim that the water stored in the TCR can be used for public water supply under existing easements. However, under the TCR/SJR Project Agreements, Cocoa will retain the Cocoa Permanent Easement and, in the event of a failure of the TCR/SJR Water Supply Project, a 20-year period will remain for Cocoa and the District to secure other water suppliers to implement a water supply project involving the TCR.

To facilitate the overall settlement of all the issues involved in the mediation and at the request of FRI and the Public Water Supply Mediation Participants, SJRWMD will dismiss the Lawsuit within 60 days after execution of the TCR/SJR Water Supply Project's documents and the grant by FRI of the Cocoa Permanent Easement and the Public Water Supply Easement in Trust to Cocoa.

Orange County hereby joins the other Public Water Supply Mediation Participants in requesting that SJRWMD dismiss the Lawsuit within 60 days after execution of the TCR/SJR Project Agreements and the grant by FRI of the Cocoa Permanent Easement and the Public Water Supply Easement in Trust to Cocoa, even though that will be before all the Public Water Supply Mediation Participants have irrevocably committed to all phases of the TCR/SJR Water Supply Project.

Sincerely,

  
Ajit Lalchandani  
County Administrator

**EXHIBIT "A"**

**LIST OF TAYLOR CREEK RESERVOIR/ST. JOHNS RIVER**  
**WATER SUPPLY PROJECT AGREEMENTS**

1. TCR/SJR Water Supply Project General Implementation Agreement
2. TCR/SJR Water Supply Project Wholesale Water Supply Contract
3. TCR/SJR Water Supply Project Transmission Line Agreement
4. TCR/SJR Water Supply Project Permitting Agreement
5. TCR/SJR Project Land Trust Agreement
6. Drainage, Flowage and Storage Easement Agreement for Public Water Supply
7. First Amendment to Taylor Creek Reservoir Settlement Agreement Dated June 23, 1993
8. Drainage, Flowage and Storage Easement Agreement for Public Water Supply to Cocoa
9. Settlement Agreement for Joint Voluntary Dismissal (SJRWMD and Farmland Reserve, Inc. settlement of flowage easement litigation)