

MINUTES OF MEETING
COQUINA SHORES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Coquina Shores Community Development District was held on Thursday, November 16, 2023 at 2:00 p.m. at the Hilton Garden Inn Palm Coast Town Center, 55 Town Center Boulevard, Palm Coast, Florida 32164.

Present and constituting a quorum were:

Blaz Kovacic	Chairman
Danielle Simpson	Vice Chair
Chris Hill	Supervisor
Aaron Lyman	Supervisor
Preston Doub	Supervisor

Also present were:

Jim Oliver	District Manager
Katie Buchanan <i>by phone</i>	District Counsel
Rhonda Mossing	MBS Capital Markets

The following is a summary of the discussions and actions taken at the November 16, 2023 meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment

There being no comments, the next item followed.

THIRD ORDER OF BUSINESS

Financing Matters

Ms. Mossing stated that the first step in the financing process is adopting a master engineer's report that outlines the capital improvement plan for the project and identifies all of the estimates. From there, a preliminary set of numbers can be ran that include the financing costs, and those are turned over to the assessment consultant to prepare a master assessment methodology report. Once those reports are approved, a public hearing can be scheduled regarding the proposed assessments. During this period, the circuit court is solicited to validate the bonds. Once approved by the judge, there is a 30-day appeal period. The validation hearing

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likely will not be held until February and the bonds cannot be issued until the end of the 30-day appeal period following that hearing.

The Board took a brief recess at this time. The following items were taken upon reconvening.

A. Consideration of Master Engineer’s Report

Mr. Oliver presented the master engineer’s report noting the total costs are estimated at \$65,000,000.

Ms. Mossing pointed out a few changes needed to the report.

B. Consideration of Master Assessment Methodology Report

Mr. Oliver presented the master special assessment methodology report, noting there are 650 lots currently planned which will be spread out over three product types. The total par amount is \$80,000,000 and there is an estimated coupon rate of 5.6%.

On MOTION by Mr. Kovacic seconded by Mr. Hill with all in favor the master engineer’s report was approved in substantial form.

On MOTION by Mr. Kovacic seconded by Mr. Hill with all in favor the master special assessment methodology report was approved in substantial form.

C. Consideration of Resolution 2024-05, Declaring Special Assessments

Ms. Buchanan stated that Resolution 2024-05 adopts the master engineer’s report and master methodology report, identifies the improvement plan is included in the engineer’s report, and targets the estimated costs of the improvements to be \$65 million but notes the assessments will defray \$80 million consistent with the methodology.

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On MOTION by Mr. Kovacic seconded by Ms. Simpson with all in favor Resolution 2024-05, declaring special assessment was approved.

D. Consideration of Resolution 2024-06, Setting a Public Hearing Date

Mr. Oliver proposed setting the public hearing for January 18, 2024 at 2:00 p.m. at the Hilton Garden Inn Palm Coast Town Center.

On MOTION by Mr. Kovacic seconded by Ms. Simpson with all in favor Resolution 2024-06, setting a public hearing date for January 18, 2024 at 2:00 p.m. was approved.

FOURTH ORDER OF BUSINESS Approval of Minutes

- A. October 19, 2023 Audit Committee Meeting**
- B. October 19, 2023 Board of Supervisors Meeting**

There were no comments on the minutes.

On MOTION by Mr. Kovacic seconded by Mr. Hill with all in favor the minutes of the October 19, 2023 audit committee and Board of Supervisors meetings were approved as presented.

FIFTH ORDER OF BUSINESS Ratification of Engagement Letter with Grau & Associates for Audit Services

Mr. Oliver noted Grau & Associates was the audit firm chosen during the audit RFP process.

On MOTION by Mr. Hill seconded by Ms. Simpson with all in favor the engagement letter from Grau & Associates for audit services was ratified.

SIXTH ORDER OF BUSINESS Consideration of Interlocal Agreement with the Flagler County Tax Collector for Collection of the Non-Ad Valorem Assessments

Mr. Oliver noted that the tax collector’s office is used to collect the assessments.

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On MOTION by Mr. Lyman seconded by Ms. Simpson with all in favor the interlocal agreement with the Flagler County Tax Collector for collection of the non-ad valorem assessments was approved.

SEVENTH ORDER OF BUSINESS Discussion of Construction Matters

Mr. Kovacic informed the Board that a meeting with the City of Palm Coast has been held to review the application for Coquina Shores Phase 1 engineering drawings. The capacity for water and sewer for the first phase of lots is being coordinated with the utility department. It's anticipated permitting will be in hand during the first quarter of 2024.

EIGHTH ORDER OF BUSINESS Staff Reports

A. District Counsel

There being nothing to report, the next item followed.

B. District Engineer

There being nothing to report, the next item followed.

C. District Manager

There being nothing to report, the next item followed.

NINTH ORDER OF BUSINESS

A. Financial Statements as of October 31, 2023

Copies of the financial statements were included in the agenda package for the Board's review.

B. Consideration of Funding Request No. 4

A copy of funding request number three totaling \$4,987.81 was included in the agenda package for the Board's review.

On MOTION by Mr. Kovacic seconded by Ms. Simpson with all in favor Funding Request number four was approved.

TENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

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ELEVENTH ORDER OF BUSINESS

Supervisor's Requests and Audience Comments

There being none, the next item followed.

TWELFTH ORDER OF BUSINESS

Next Scheduled Meeting – Thursday, December 21, 2023 at 2:00 p.m. at the Hilton Garden Inn Palm Coast Town Center

THIRTEENTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Kovacic seconded by Ms. Simpson with all in favor the meeting was adjourned.

DocuSigned by:

Jim Oliver

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Secretary/Assistant Secretary

Chairman/Vice Chairman