

MINUTES OF MEETING
GARDENS AT HAMMOCK BEACH
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Gardens at Hammock Beach Community Development District was held on Friday, May 17, 2024 at 9:00 a.m. at the Hilton Garden Inn Palm Coast, 55 Town Center Boulevard, Palm Coast, Florida.

Present and constituting a quorum were:

Clint Smith	Chairman
David Lusby	Vice Chairman
David Root	Assistant Secretary
William Livingston	Assistant Secretary

Also present was:

George Flint	District Manager
Jeremy LeBrun	GMS
Vincent Sullivan	District Counsel
Michael Chiumento, III	District Counsel
Parker Mynchenberg (<i>via phone</i>)	District Engineer
Ken Belshe	Sunbelt
Danielle Ferguson	Sunbelt
Sara Zare (<i>via phone</i>)	MBS Capital Markets
Kendall Bulleit (<i>via phone</i>)	MBS Capital Markets
Lo Etienne (<i>via phone</i>)	Bryant Miller Olive

The following is a summary of the discussions and actions taken at the May 17, 2024 Gardens at Hammock Beach Community Development District's Meeting.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order at 9:00 a.m. A quorum was present.

SECOND ORDER OF BUSINESS

Public Comment Period

There being no comments, the next item followed.

THIRD ORDER OF BUSINESS

Approval of Minutes of the March 22, 2024 Meeting

Mr. Flint presented the minutes of the March 22, 2024 meeting, which were included in the agenda package. The Board had no changes to the minutes.

On MOTION by Mr. Livingston seconded by Mr. Root with all in favor the Minutes of the July 23, 2023 Meeting were approved, as presented.

FOURTH ORDER OF BUSINESS**Financing Matters – Phase 1-3 Tract****A. Consideration of Amended and Restated Master Engineer’s Report – Phase 1-3 Tract**

Mr. Flint reported that the District Engineer prepared a Master Engineer’s Report, which was included in the agenda package. The Board went through the assessment process, based on this report and defined the assessment area, which was the Phase 1 through 3 Tract area, in Assessment Area 1. However, the structure of the bond issue changed and there were now two assessment areas. As a result, for purposes of clarity, the District Engineer was asked to modify the Master Engineers Report. The costs were not modified, so it did not impact the assessment process that they went through but eliminated the references to Assessment Area 1 and implemented the Phase 1 through 3 Tract terminology. Mr. Mynchenberg confirmed that the Master Engineer’s Report was updated with the Phase 1 through 3 Tract.

On MOTION by Mr. Root seconded by Mr. Livingston with all in favor the Amended and Restated Master Engineer’s Report dated April 2024 for Phase 1-3 Tract was approved.

B. Consideration of Supplemental Engineer’s Report – Phase 1-3 Tract

Mr. Flint reported that the District Engineer was also asked to prepare a Supplemental Engineer’s Report for the Phase 1 through 3 Tract, in order to update the costs, phasing terminology and timing permit status. Mr. Mynchenberg indicated that there were now some actual costs, since the Phase 1 through 3 Tract was constructed and as a result, the Phasing Plan and other documents for the Phase 1 through 3 Tract, were updated.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor the Supplemental Engineer’s Report dated April, 2024 for the Phase 1-3 Tract was approved.

C. Consideration of Preliminary Supplemental Assessment Methodology Report for Phase 1-3 Tract

Mr. Flint presented the Preliminary Supplemental Assessment Methodology Report for the Phase 1 through 3 Tract, using the Supplemental Engineer’s Report, which would also be used by the Underwriter for purposes of marketing the bonds. Table 1, on Page 9 of the

Preliminary Supplemental Assessment Methodology Report, showed two assessment areas. Assessment Area One was for the Phase 1 through 3 Tract and there were 50-, 60- and 80-foot products, totaling 211 units. Equivalent Residential Unit (ERU) factors were based on the product type. In Assessment Area Two, there were 124 60-foot units planned for Phase 2. Table 2 show the construction cost estimates that were taken from the Engineer's Report, which was broken out by phase and assessment area. Table 3 has the preliminary bond sizing, breaking out Assessment Area 1 and Assessment Area 2, based on the conservative bond assumptions, which were listed at the bottom of that table. A par amount of \$4,650,000 was projected for the Assessment Area 1 bonds and of that, \$400,000 would be construction funds. For Assessment Area 2, there would be an \$8.3 million par amount, with about \$6.66 million in construction funds. The total of those two series would be a par amount of \$12,000,950. The structure of the deal proposed two separate series of bonds, one for Assessment Area 1 and one for Assessment Area 2. There was a desire by the developer to have level assessments in Assessment Area 1 for all units, regardless of lot size, but in order to do so, Table five on Page 13, recognized developer contributions to equalize the par debt per unit on the different product types. The developer would not need to write a check for \$1.5 million; however, they would have to document that there was \$1.5 million in infrastructure, when proceeding with the acquisition and conveyances of the infrastructure. Once the Underwriter prices and markets the bonds, the Preliminary Supplemental Assessment Methodology Report would be updated to reflect the final terms, interest rates, etc. and these numbers will change based on the actual pricing. However, this was preliminary for purposes of marketing the bonds.

Mr. Livingston asked if the developer was going to redeem \$5.5 million, as stated in Table 6 of the report, as the Preliminary Limited Offering Memorandum (PLOM) reflected \$5.7 million. Ms. Zare confirmed that this number was updated, but this was preliminary until they priced the bonds. This comment was provided to counsel last night to modify the current numbers and the next PLOM would include these numbers. Mr. Belshe voiced concern about the developer's reduction of the \$5.5 million and asked if it would come across all of the bonds, which would then reduce the yearly Debt Service for each lot, in a manner that reduced the yearly Debt Service. In other words, there was one Debt Service payment on each lot, before the developer paid the \$5.5 million, but when that \$5.5 million comes off, Mr. Belshe questioned whether it would reduce the yearly Debt Service to \$1,750. Ms. Zare explained that it does, but

after the prepayment of \$5.5 million was made, it would reduce the special assessment for each lot to \$1,750 in Phase 2. Mr. Root pointed out that it was a due on sale. Mr. Livingston was hoping that it was a due on sale, but there was no expectation that the yearly Debt Service per lot, would remain the same, as it was prior to the \$5.5 million contribution. Mr. Flint pointed out that it would be reduced to \$1,750 going forward, as noted in the footnote on the bottom of Table 14 and in the PLOM. Mr. Belshe appreciated the clarification. Ms. Ferguson asked if Table 7 would be updated to reflect the current ownership, as four or five lots were showing under Palm Coast Intracoastal, that have since sold and were not yet reflected. Mr. Flint confirmed that it could be updated to the point where they issue the final after the pricing; however, they already went through the assessment process and mailed notices were sent, but there would either be on-roll assessments or direct bills for the Phase 1 and 3 lots, in the October time frame if it was on the Tax Bill, it would be on the November 24th Tax Bill and there would be a question of whether the Flagler County Property Appraiser and Tax Collector would recognize it for it to be included on the Tax Roll. However, if they closed on it, they would want to have the most up to date information and requested that Ms. Ferguson provide those corrections, so it could be updated when the report was finalized. Ms. Ferguson asked if they could make those adjustments, if it was not yet showing on the Property Appraiser website. Mr. Flint confirmed that adjustments could be made if the lots were sold, and evidence was provided. Ms. Ferguson pointed out that the deeds were already recorded. Mr. Flint requested that they provide the deeds.

On MOTION by Mr. Livingston seconded by Mr. Root with all in favor approval of the Preliminary Supplemental Assessment Methodology Report for the Phase 1-3 Tract, subject to revision of the preliminary assessment was approved.

- D. Consideration of Resolution 2024-02 Delegation Resolution for Assessment Area One (Series 2024-1)**
 - i. Exhibit A: Form of First Supplemental Trust Indenture**
 - ii. Exhibit B: Form of Contract of Purchase**
 - iii. Exhibit C: Form of Preliminary Limited Offering Memorandum**
 - iv. Exhibit D: Form of Continuing Disclosure Agreement**

Mr. Flint indicated that there were two Delegation Resolutions: one for each assessment area. Ms. Zare reported that they were establishing two assessment areas to facilitate the development and financing of the initial phases of this project. Assessment Area 1 was known as the A-bonds to correlate with the various product types and units in Phase one and Phase three,

for a total of about 211 custom estate home sites. Assessment Area 2 correlated with the product types and units in Phase 2, which had a total of 124 residential lots. It was intent for the landowner in Phase 2, to prepay a portion of those assessments to redeem about \$5.5 million in par, which would reduce the special assessment down to about \$1,750 for each Phase 2 lot. These were two separate trust estates and various provisions for each of the assessment areas, which Ms. Lo Etienne would present. Ms. Lo Etienne of BMO, presented Resolution 2024-02, relating to the Assessment Area 1 issuance, which authorized the District to issue assessment bonds in an amount not to exceed \$7 million. It also authorized the application of the bond, whereby the proceeds of the bonds, would be used to pay a portion of the cost of the 2024 project, which was outlined in the Engineer's Report, to pay capitalized interest through November 1, 2024, fund the Debt Service reserve account and pay the cost of issuance of the 2024 bonds. Additionally, it appointed MBS Capital Markets (MBS) as Underwriter, US Bank as Trustee, and GMS as Disclosure Representative. Attached to the Resolution was the First Supplemental Trust Indenture, which listed the various accounts that the monies would get deposited through prepayment provisions relating to the bond. There was also a Purchase Contract, which contained the terms of the sale of the bond, a PLOM, which MBS would use to market the bonds and a Continuing Disclosure Agreement, which had certain positions that the developer was required to provide, including the status of the project, annual reports and things of that nature. Lastly, the resolution authorized the Chair and Board Members to execute various documents, including certificates that would close the bond issue.

On MOTION by Mr. Root seconded by Mr. Smith with all in favor Resolution 2024-02 Authorizing the Issuance of Not to Exceed \$7,000,000 Aggregate Principal Amount of Special Assessment Bonds for Assessment Area One, in One or More Series, for Series 2024-1, the Negotiated Sale of the Series 2024-1 Bonds, Appointing the Underwriter, Approving the Form of and Authorizing the Execution and Delivery of a Contract of Purchase with Respect to the Series 2024-1 Bonds and Awarding the Series 2024-1 Bonds to the Underwriter Named Therein Pursuant to the Parameters Set Forth in the Resolution, Approving the Form of and Authorizing the Distribution of the Preliminary Limited Offering Memorandum and its Use by the Underwriter in Connection with the Offering for Sale of the Series 2024-1 Bonds and Approving the Execution and Delivery of a Final Limited Offering Memorandum, Appointing a Dissemination Agent, Authorizing the Execution and Delivery of a

Continuing Disclosure Agreement and Providing for the Application of the Series 2024-1 Bond Proceeds, Authorizing the Proper officials to Do All Things Deemed Necessary in Connection with the Issuance, Sale and Delivery of the Series 2024-1 Bonds, Making Certain Declarations, Providing for the Registration of the Series 2024-1 Bonds Pursuant to the DTC Book-Entry System and Providing an Effective Date and for Other Purposes was approved.

E. Consideration of Resolution 2024-03 Authorizing the District to Enter into Agreements Related to the Series 2024-1 Bond Issuance

Mr. Sullivan presented Resolution 2024-03, authorizing the District to enter into ancillary documents for the Series 2024-1 bond issuance in Phase 1. It included a Collateral Assignment Agreement, which provided the landowners assignment of their rights to develop the property to the District, should the developer or landowner default on any of their obligations to the District. There was also a Completion Agreement, which was the landowners guarantee to complete construction of the project and acknowledge that the bonds that were issued, were insufficient for the total value of the construction. Then there was a Declaration of Consent, which was signed by the landowners, agreeing and verifying that the Board had the authority to enter into these resolutions and agreements, to levy bonds against the property and issue liens against the property and collect the repayment funds by the method of a certified tax loan for the Tax Collector. There was also a notice of imposition of special assessments, which was a recorded notice to any future title owner, that the properties were burdened by bond debt. Lastly, there was an Acquisition Agreement with the landowners, which was the guarantee and certification by both the District Engineer and the landowners that the infrastructure was complete and met the standards of build and quality and the District had the right to rely on their certifications and on the construction of this project and facilities, such as water, roads and things of that nature.

On MOTION by Mr. Root seconded by Mr. Smith with all in favor Resolution 2024-03 Authorizing the Proper Officials to Approve the Form of and Authorize the Execution and Delivery of a Completion Agreement, Collateral Assignment and Assumption of Development Rights Relating to the Property, Declaration of Consent to Jurisdiction of the District and Imposition of Special Assessments and Agreement for the Acquisition of Certain Work Product, Materials and Infrastructure and Providing an Effective date and for other Purposes was approved.

- F. Consideration of Resolution 2024-04 Delegation Resolution for Assessment Area Two (Series 2024-2)**
- i. Exhibit A: Form of Second Supplemental Trust Indenture**
 - ii. Exhibit B: Form of Contract of Purchase**
 - iii. Exhibit C: Form of Preliminary Limited Offering Memorandum**
 - iv. Exhibit D: Form of Continuing Disclosure Agreement**

Ms. Lo Etienne presented Resolution 2024-02, relating to Assessment Area Two, which authorized the issuance of bonds in an amount not to exceed \$11 million. It was similar to the last resolution as it also provided for the use of bond proceeds, to fund the Assessment Area Two project, pay the capitalized interest, but for Assessment Area Two, capitalized interest would be through November 1, 2025. It would fund the Debt Service reserve account and pay the cost of issuance of the 2024 Assessment Area Two bonds. It also appointed MBS as Underwriter, US Bank as Trustee, and GMS as Disclosure Representative. Attached to the Resolution was the Second Supplemental Trust Indenture, as there were two separate trust estates and therefore, there must be two separate indentures. However, there would be one purchase contract, one PLOM, with respect to the Assessment Area Two bond. The resolution also authorized two separate Continuing Disclosure Agreements for the Assessment Area Two project and for the Board to sign and execute all documents related to the bond issuance.

On MOTION by Mr. Root seconded by Mr. Smith with all in favor Resolution 2024-04 Authorizing the Issuance of Not to Exceed \$11,000,000 Aggregate Principal Amount of Special Assessment Bonds for Assessment Area Two, in One or More Series, for Series 2024-2, Determining Certain Details of the Series 2024-2 Bonds, the Negotiated Sale of the Series 2024-1 Bonds, Approving the Form of and Authorizing the Execution and Delivery of a Second Supplemental Trust Indenture, Authorizing the Negotiated Sale of the Series 2024-2 Bonds, Appointing the Underwriter, Approving the Form of and Authorizing the Execution and Delivery of a Contract of Purchase with Respect to the Series 2024-2 Bonds and Awarding the Series 2024-2 Bonds to the Underwriter Named Therein Pursuant to the Parameters Set Forth in the Resolution, Approving the Form of and Authorizing the Distribution of the Preliminary Limited Offering Memorandum and its Use by the Underwriter in Connection with the Offering for Sale of the Series 2024-2 Bonds and Approving the Execution and Delivery of a Final Limited Offering Memorandum, Appointing a Dissemination Agent, Authorizing the Execution and Delivery of a Continuing Disclosure Agreement and Providing for the Application of the Series 2024-2 Bond Proceeds, Authorizing the Proper officials to Do All Things Deemed Necessary in

Connection with the Issuance, Sale and Delivery of the Series 2024-2 Bonds, Making Certain Declarations, Providing for the Registration of the Series 2024-2 Bonds Pursuant to the DTC Book-Entry System and Providing an Effective Date and for Other Purposes was approved.

G. Consideration of Resolution 2024-05 Authorizing the District to Enter into Agreements Related to the Series 2024-2 Bond Issuance

Mr. Sullivan presented Resolution 2024-04, which authorized the District to enter into ancillary documents for the bond issuance for Series 2024-2. These were the same documents as Assessment Area One, but the only difference with Assessment Area Two, was there would be a True-Up Agreement. Originally, when undeveloped land was assessed, the total amount of the debt that was being floated against the property, would be on an even per acre basis. Obviously, that would change once it turned into platted lots and they must reassess it, which was how GMS used the Supplemental Assessment Methodology, to come up with the ERU calculations. There were triggering events during the conversion of unplatted lots to platted lots and they have to make sure that each lot was appropriately burdened by the debt. Therefore, unlike Assessment Area Two, where all of the lots were already platted, Assessment Area One, did not need to have a True-Up Agreement. However, one was required in this case, because it was going from unplatted real property to platted property. It was a developer's agreement that all the bond debt leveled against the properties, when it converted from unplatted to platted, the bond debt was going to be even, based on the benefit received for each property. If it breaks the threshold or the test of more than it should have debt per acre, the developer and landowner were agreeing to make a payment to level out the bonds to bring it back within tolerance. Mr. Flint explained if 124 units were planned and for some reason, the developer ended up only planning 120 units, this True-Up Agreement would be used to pay down the principal associated with the four units that were not ultimately platted, because they could not go back and reallocate the debt from those four units across the other 120 units. Therefore, the True-Up Agreement would obligate the developer to pay the debt down. Mr. Livingston asked what would happen if they platted 150 lots. Mr. Flint explained if 150 lots were platted, they would bring everyone's assessment down. It could be lowered, but not increased.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor Resolution 2024-05 Authorizing the Proper Officials to Approve the Form of and Authorize the Execution and Delivery of a True-Up Agreement, Completion Agreement, Collateral Assignment and Assumption of Development Rights Relating to

the Property, Declaration of Consent to Jurisdiction of the District and Imposition of Special Assessments and Agreement for the Acquisition of Certain Work Product, Materials and Infrastructure and Providing an Effective date and for other Purposes was approved.

Mr. Flint thanked Ms. Zare and Ms. Etienne for all of their hard work.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2024-06
Approving the Conveyance of Real Property
and Improvements**

Mr. Sullivan presented Resolution 2024-06, approving the conveyance of real property and improvements. It was a multifaceted resolution, which meant that the landowner, Palm Coast Intracoastal, LLC, the landowner and developer, had already constructed some infrastructure improvements, which were utility lift stations. The CDD would be acting as more or less of a pass-through entity. This resolution would be authorizing District staff, to enter into agreements with Palm Coast Intracoastal in the City of Flagler Beach. The CDD would be taking ownership briefly, probably before the next Board meeting, two parcels of property that had lift stations on it. In connection with that conveyance, Palm Coast Intracoastal would be providing a Bill of Sale, showing that there were no liens or warranties, and it was constructed in an appropriate manner. They were also agreeing that Palm Coast Intracoastal was going to pay any property taxes that the Tax Collector may assess against the property, based on ownership prior to the CDD taking ownership. After that closing happens and the CDD becomes the owner of the property, the resolution also authorized District staff, to work with the City of Flagler Beach, who was the ultimate utility provider on this project, to convey the lift stations to the City of Flagler beach to maintain and own them. The District would also be entering into a Bill of Sale Agreement to the City of Flagler Beach, based on the Bill of Sale provided by Palm Coast Intracoastal. Ms. Ferguson asked if it included the pipes, and anything associated with it. Mr. Sullivan confirmed that it was the pipes, and everything associated with the lift station.

On MOTION by Mr. Smith seconded by Mr. Lusby with all in favor Resolution 2024-06 Approving the Conveyance of Real Property and Improvements from Palm Coast Intracoastal, LLC. to the District and from the District to the City of Flagler Beach, Florida, Authorizing District Staff and the Chairman to Review, Execute and Accept all Documents to Effectuate such Conveyance, Providing for Severability and an Effective Date was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being no comments, the next item followed.

B. Engineer

Mr. Mynchenberg reported that they were finalizing the infrastructure for Assessment Area One and all of the permits were in hand.

C. District Manager's Report

i. Balance Sheet and Income Statement

Mr. Flint presented the Unaudited Financials through April 30, 2024, which were included in the agenda package. Some of it may have changed since the end of April. No action was required by the Board.

ii. Ratification of Funding Requests #30 - #31

Mr. Flint presented Funding Request #30 through #31, which were included in the agenda package. Funding Request #30 included District management, District Counsel and auditing costs and Funding Request #31 included District Counsel, Board attendance compensation and legal advertising costs. These were provided to the developer under the Developer Funding Agreement.

On MOTION by Mr. Livingston seconded by Mr. Root with all in favor Funding Requests #30 - #31 were ratified.

iii. Presentation of Number of Registered Voters – 0

Mr. Flint reported that the District was required to announce, each year, the number of registered voters as of April 15, 2024. There were no registered voters in the District, according to the Flagler County Supervisor of Elections. No action was required by the Board. Once the District was in existence for six years and had 250 registered voters, the Board would transition to a General Election process. The District met the threshold for six years, but not the threshold for 250 registered voters; however, once it was met, two seats would transition and in two years, two more seats would transition and two years after that, the last seat would transition.

iv. Designation of November 15, 2024 as the Landowners' Meeting Date

Mr. Flint requested that the Board designate a Landowner meeting date for November, as Mr. Livingston and Mr. Lusby's seats were expiring and recommended November 15th. It would be a separate meeting; however, it could be in conjunction with a Board meeting, but it was not necessary. Mr. Livingston asked if it would be a Board meeting that would be in consistent with their regular meeting. Mr. Flint noted that the District did not have regular monthly meetings and the Landowners' meeting would include him or Mr. LeBrun, landowners or proxy holders.

On MOTION by Mr. Livingston seconded by Mr. Smith with all in favor designating November 15, 2024 as the Landowners' Meeting Date was approved.

Mr. Flint indicated that a sample agenda, proxy and ballot, were included in the agenda package and would reach out to major landowners, to remind them about the Landowners' election. Mr. Smith questioned how the number of votes would work, since they now had lot owners. Mr. Flint explained that it was based on a one vote per acre or part of an acre. For example, if they owned a 0.9-acre lot, they would get one vote, but if they owned 1.1 acres, they would get two votes. Mr. Smith questioned if someone owned 0.1 acres, whether they would still receive one vote. Mr. Flint confirmed that any fraction of an acre, was considered one vote and if an owner had 200.1 acres, they would be allowed to have 201 votes. Mr. Sullivan asked if the District would be reimbursing the developer periodically, for the Series 2024-2 bonds, as improvements were completed, it would require periodic meetings, or they could wait until the end and purchase the improvements. Mr. Flint was informed this week, that there was a desire to have Operation and Maintenance (O&M) assessments in place in November; however, the current Proposed Budget that was approved, had developer funding. Since the public hearing for the budget was scheduled for July 19th, there would need to be another meeting before June 19th, as well as another meeting related to closing on these bonds. The timing works out, but because there was a need to amend the Proposed Budget and they need to do a mailed notice, before the meeting was adjourned, a special meeting must be scheduled, the week of June 19th. Depending on whether the developer wants to assign their contracts to the District and purchase the materials, it must be approved at the June meeting.

Ms. Flint understood the Assessment Area One improvements, were mostly completed and the District would likely acquire those at the closing on the bonds. A call was scheduled on Monday to discuss this. For the Assessment Area Two improvements, they could either assign

the contracts, pay the developer for their costs, up to that point and then we process pay applications as the contractor completes the work or they could acquire completed improvements. If they acquired completed improvements, the contract would not be assigned. They would just acquire it when it was completed and did not have to wait until the end, as portions of the completed project, could be acquired as they go. From an administrative standpoint, it was easier to acquire completed improvements from a cash flow standpoint for the developer. They get their money sooner, if the District assigned the contracts. Mr. Livingston asked if there were tax advantages, if any material needed to be purchased. Mr. Flint explained that there was a sales tax advantage, to the extent that materials still needed to be purchased and the contract could be assigned to the District, in order for the District to acquire the materials, as the District was exempt from sales tax. Mr. Belshe confirmed that for this phase, they had all of the pipes, which was a considerable amount of money. Mr. Flint suggested having a resolution that the Board could consider on the direct purchase of materials and then there would be an assignment of contract and the District would take the project over from the developer and the developer could manage and build it out, but the contract would be in the District's name.

Mr. Belshe indicated that the property was under contract to Toll Brothers, and they had a deadline to deliver the finished lot and he wanted to ensure that they did not inadvertently enter something that was going to delay them in some way that they were not aware of. Mr. Flint did not think it would change how they managed the project, as there would be a Funding Agreement, because the bond funding was not adequate to pay the entire cost and the developer would still have to pay for whatever portion the developer still had to contribute. Mr. Belshe asked if they signed the contract, if the payment would be directly from the CDD or if it was a pass through that the developer had to pay. Mr. Flint confirmed that if the District entered into a Funding Agreement before the bonds were issued, the developer would provide a Funding Request that the District would pay, but since there was bond money, the District Engineer would prepare a requisition with the pay out and it would be submitted to the Trustee, so that the Trustee could pay the contractor. Mr. Sullivan explained in that situation, the developer's cash would not come in until the bond proceeds were exhausted. Mr. Flint felt this was the correct way to go, as the developer would have the benefit of having sales tax savings, but it required more administrative work. Mr. Belshe agreed that it would be worth it. Mr. Flint stated at the June meeting, they would include an agenda item for the direct purchase, assignment of contract

and approval of the Funding Agreements as well as the Proposed Budget amendment. In the meantime, staff would meet with Mr. Belshe and Ms. Ferguson to determine what areas would be maintained and come up with some cost estimates. Mr. Flint recommended that the Board hold a special meeting on either June 17th, 18th or 19th, in order to meet the mailed notice requirement, for the purpose of considering the direct purchase, assignment of contract, Funding Agreements and Proposed Budget amendment.

On MOTION by Mr. Livingston seconded by Mr. Root with all in favor scheduling a special meeting for June 18, 2024 at 9:30 a.m. at this location, to discuss consideration of the direct purchase, assignment of contract, Funding Agreements and Proposed Budget amendment was approved.

SEVENTH ORDER OF BUSINESS

Other Business

There being no comments, the next item followed.

EIGHTH ORDER OF BUSINESS

Supervisor's Request

There being no comments, the next item followed.

NINTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Livingston seconded by Mr. Root with all in favor the meeting was adjourned.


Secretary/Assistant Secretary


Chairman/Vice Chairman