

**MINUTES OF MEETING
TWIN CREEKS NORTH
COMMUNITY DEVELOPMENT DISTRICT**

The Board of Supervisors of the Twin Creeks North Community Development District held a Public Workshop limited to the Amenity Study Presentation on January 26, 2026 at 6:00 p.m., or as soon thereafter as the matter could be heard, at the Beachwalk Clubhouse Restaurant, 100 Beachwalk Club Drive, St. Johns, Florida 32259.

Present:

Neal Shact	Chair
David Mullins	Vice Chair
Mark Kuper	Assistant Secretary
Bryan Kinsey	Assistant Secretary
Michael Chase	Assistant Secretary

Also present:

Kristen Thomas	District Manager
Daniel Rom	Wrathell, Hunt and Associates, LLC
Raymond Passaro	Wrathell, Hunt and Associates, LLC
Jennifer Kilinski	District Counsel
Chris Loy	Kilinski Van Wyk PLLC
Greg Christovich	Christovich and Associates
Chase Chenowith	Beach Club General Manager

Residents present:

Michael Chase	Ginny Stoner	Jan Freedman	Lincoln Schneider	Brett Daly
Susan Martin	Peter Martin	Lois Freedman	Michael Wynston	Barb Shact
Brian Warren	Fred Amato	Denise Carafano	Jocelyn Wynston	Tina Hope
Lynne Kuper	Pat Connor	Lisa Hathaway	Laura Wertzberger	Terri Morris
Sharon Pruet	Brent Griffin	Damien Bonner	Other Residents	

FIRST ORDER OF BUSINESS

Call to Order/Roll Call

Ms. Thomas called the workshop to order at 6:22 p.m.

All Supervisors were present.

SECOND ORDER OF BUSINESS

Opening Remarks

Ms. Thomas welcomed attendees to the workshop focused on sharing the results of the preliminary Amenity Enhancement Study prepared by Christovich and Associates. The information being presented reflects the consultant's independent analysis. The workshop is intended to give the Board and residents the opportunity to hear the information together, understand how the study was developed, ask questions and provide feedback. The study was designed to help address questions that came up through the process, including how residents view the current amenities, what expectations or priorities exist for the future, and how Beachwalk compares to other communities in the area. Importantly, this is a study; it is not a decision. Its purpose is to gather data, explore concepts, and identify potential design and cost considerations that might help for future CDD discussions.

Ms. Thomas stated the study is separate from any due diligence currently happening and efforts related to asset ownership. The due diligence process is still in the early stages. The consultant will not address due diligence-related questions. Tonight's focus is strictly on the Amenity Study and the information it contains. Regardless of who ultimately owns any existing assets, the core questions the study seeks to explore is the same. What challenges and opportunities does the community see with respect to current and future amenities at Beachwalk. The CDD anticipates receiving and considering the final Amenity Study at its February meeting for approval.

Ms. Thomas stated that Board Members cannot make any decisions at a workshop. After the presentation, an opportunity for Q&A will be provided. Another workshop will be held tomorrow night at 6:00 p.m. When that is complete, Q&A session information and notes will be compiled and distributed in PDF format.

Ms. Thomas stated that all direction, motions or approvals will be done at the February meeting. All CDD Board direction must occur in the sunshine, during regular meetings.

THIRD ORDER OF BUSINESS**Amenity Study Presentation by Christovich and Associates, LLC (under separate cover)***

Greg Christovich presented the Christovich and Associates, LLC Amenity Study, discussed the slides, and noted the following:

- The CDD commissioned this study to determine what additional amenities, if any, could enhance the overall quality of life in the community; the resident member, landowner, club experience and real estate values, both current and future.
- Research included a competitive fee evaluation for neighboring communities and standalone facilities, some collection of real estate data and evaluation, and then some cost estimates and the financial impact to district residents and landowners.
- A second phase in this process involves engineering and architectural.
- The final report to be submitted in mid-February will include references to rough cost estimates. The scope of amenity enhancements will be clarified further.
- The process involved a number of meetings with CDD and club management, and local real estate professionals.

**DUE TO TECHNICAL ISSUES, THE MEETING
BRIEFLY PAUSED AND THEN RESUMED**

- Research and analysis included six focus groups; meetings with Beachwalk residents; tours of the Beachwalk facilities, neighboring comparable communities, and established pickleball, fitness and other recreation facilities in the market; CDD and non CDD documents and fee structures; analysis of real estate sales data for 2024 and 2025 for comparable communities and Saint Johns County; publicly available information regarding membership fees, revenues and operating profitability of any other relevant operations; and a resident survey to assess wish list items suggested by residents during focus groups.
- Operational suggestions that came up during focus groups included classing up the swim up bar, music choices, drink restrictions, management presence, safety and security, adult hours and/or areas, concerts and events, and reciprocity with other area clubs.
- Resident concerns included the current cost of ownership, membership fees, and the cost of additional future services.
- Competitive neighboring communities and area clubs were considered.
- The comparable fee summary considers what it costs to live here and what neighboring communities pay, including CDD assessments and HOA fees, public access requirements, membership fees and nonresident memberships.

Mr. Christovich displayed and discussed a chart comparing competitive CDD, HOA and membership fees and competing fitness and athletics franchises planned for surrounding areas,

such as Lifetime Fitness, Sports Edge, Above Athletics and Prime Arena. He presented slides which described the Amenity Study results, including the following:

- Strengths/Opportunities, including location, access to St. Johns County schools, highways and nearby attractions, gated subcommunities, the tennis center and on-site restaurant, and recent and planned infrastructure improvements at The Club.
- Key Known Concerns/Challenges, including Developer turnover, continuing assessment and fee pressure, Lagoon turnover uncertainty, budget issues and capital needs.
- Resident Survey Responses, which evaluated individuals' satisfaction with individual amenities, ranked amenities in order of importance, stated which enhancement implementation approach they prefer, and their preferred maximum annual assessment increase.
- Considerations and responses to the possibility of the CDD acquiring the Beachwalk Club asset (Lagoon not included) and CDD acquisition concerns, were presented. 58% of respondents (286) support acquisition; 36% of respondents (179) do not.
- The Resident Survey Response Summary noted the desire to operate, maintain and enhance existing improvements; cost and assessment/fee concerns; and a preference for a custom, phased approach to improvements.
- Concluding Remarks indicate that the current environment does not appear to support a major capital investment in additional amenities within the CDD/Beachwalk community based on factors, including available amenities in comparable communities at relatively competitive costs, oversupply of competing standalone facilities in close proximity and commercial land and construction costs versus potential return on investment, and recognizing that 63% of the community did not respond to the survey.
- Recommended Next Steps include proceeding with due diligence tasks related to acquisition; reviewing the existing CDD bond finance structure with regard to a possibility of refinancing; and redirecting gains back to Operation & Maintenance (O&M), repairs, replacement and reserves.

FOURTH ORDER OF BUSINESS

Q & A Session (note this is only on the Amenity Study Presentation)

Ms. Thomas stated that all the questions and answers will be collected from TEAMS and, tomorrow, everybody will receive a PDF of the presentation.

Resident Fred Amato voiced his belief that one survey was allowed per household and took issue with the percentages discussed. It was noted that two surveys were allowed per household. Mr. Amato apologized for the misunderstanding.

Resident Lynn Cooper feels that the survey results are being heavily relied on and voiced her opinion that the survey did not ask key questions related to the financial benefits of the CDD acquisition option. She expressed support for funding improvements with a bond and stated that she finds assessments inefficient and noted that those who wish to do so can pay off their portion of the bond.

A resident asked what percentage of the surveys were answered by two members of the same household. Mr. Christovich stated he will research it and provide an answer.

Resident Tina Hope noted, with regard to the competitive market analysis, that Nocatee offers a nonresident membership for \$3,800. She asked what would happen to property owners' one-time \$7,500 joining fee if the CDD acquires the Club.

Mr. Christovich voiced his belief that the Board would decide how to structure the membership.

Resident Claire Karp voiced her understanding that none of the entities have a joining fee; they have an annual fee. Her understanding is that the rule is that it has to be comparable to the O&M or the yearly dues for residents. She asked if the CDD is concerned with transient memberships and noted that they were a concern for the Club in the past and they were done away with.

Mr. Christovich thinks it depends on what you want to sell and at what price and stated that he does not think non-resident membership is a competitive product for Beachwalk right now. He discussed his understanding of how leadership might determine if a non-resident product is desired and what to charge.

Resident Christy Allen asked for research on what has been done in the past by CDDs, such as whether they charged joining fees as well as annual fees. She thinks that the survey questions relating to bonds would have been of more value if it were made clear exactly what each level of bond would cost each home per month over the course of 30 years. She suggested that be done in future communications to put the costs into perspective.

Resident Laura Wertzberger would like an estimate of the ongoing maintenance cost and how the monthly cost would affect the mortgage, and property taxes.

Resident Damien Bonner feels that, while no one wants to pay higher fees, it is inevitable if the amenity is not turned over to a CDD, given that the community only has 887 homes compared to thousands in other communities. He thinks the only way to grow that number is with outside membership. He noted that adding other amenities possibly raises the value for non-residents to become members. He questioned whether other community members are really aware of what is at stake. He thinks fees will increase.

Resident Peter Martin would like to understand the process since the community has approximately \$8 million in equity in the Club. He asked if anything will be conveyed to property owners if the Club is conveyed to the CDD and asked if this makes sense because another bond would need to be paid. He thinks the CDD should look at borrowing against its \$8 million asset if new improvements are needed.

Resident Scott Allen thinks since homeowners are members of both the CDD and the Club, the acquisition is transferring the equity from something he is a member of to possibly something else he is a member of for a tax benefit and possibly for better rates on bonds.

Mr. Christovich noted the need to address more specifics about the benefits and stated that his team has worked on some cost estimates and what the financing and O&M would be; more information will be provided on the subject.

The following question was submitted by Kristen Auld, via TEAMS: "Can you please show the yearly cost to own for Beachwalk versus other neighborhoods, CDD plus HOA, plus Lagoon."

Mr. Christovich noted that the base amount of CDD can vary. His team will calculate the amount and provide the comparisons. He stated the Q&A does not end tonight and asked that additional questions that come to mind be forwarded to Ms. Thomas. He noted that another meeting will be held tomorrow night.

A resident stated that the big question for her, as a member and not as a Board Member, is that the presentation says that the current environment does not appear to support a major capital investment, yet the recommended next step says to continue.

Mr. Christovich stated the recommended next step is simply to finish the due diligence process as it relates to conveyance of the Club amenities to the CDD. He recalled Mr. Shact commented about how much money was left by virtue of it not being part of the CDD. The benefits of the CDD are better financing rates, sovereign immunity and savings on insurance.

Ms. Cooper expressed concern that the Club could be underinsured and asked if liability transfers to individual homeowners. She asked for information about sovereign immunity, and asked if, just because the CDD could get a \$10 million bond, if that much must be taken out if the Board does not think it is in the CDD's best interest given the size of the Club.

Mr. Christovich stated that Ms. Kilinski has been working with insurance underwriters on all those insurance-related matters. More due diligence will be done and answers will be provided. District Counsel will discuss what sovereign immunity entails.

Resident and Twin Creeks North CDD Board Chair Neal Shact stated that he would like to clarify a couple of things because there is a lot of confusion and there is an unfortunate overlap of two CDD topics. He stated that this study is supposed to be a resident Amenity Study. As that progressed, the conveyance topic emerged. They are two separate topics, and Mr. Christovich's study is focused on understanding what residents wanted. He reiterated that conveyance is a separate topic; under conveyance working with the Club and trying to get more facts to present more of what that would entail is underway. As Ms. Cooper noted, there is a lot the CDD could do with bonds, but how it affects O&M and ongoing monthly expenses is critical; that needs to be looked at.

Mr. Shact noted the need to borrow money. While in the presentation it was predicted that \$470,000 a year could be saved, other estimates indicate that \$600,000 to \$700,000 a year could be saved. The second thing is to understand whether to broaden the economic base of the Club, what would be the marketplace demand for that, what it would look like and how many new members it would bring in. He stated that, once the rest of the information is received from the Club's attorney, real numbers can be put on things and see what real amenities would cost to have some facts. These are very serious undertakings and facts are needed, then it can be discussed.

The following question was submitted by Kristen Auld, via TEAMS: "Her question is more so if we merge CDD and Club, if there's extra money when everything we currently have is paid completed, can it be an option to reduce dues rather than build new things with the surplus?"

Ms. Thomas stated that is always an option; it is an option right now for the CDD. She noted that the CDD must assess but Field Operations, the District Manager and the Board must assess the information to see what would be the best for the property owners and residents and O&M of the infrastructure and CDD-owned assets.

The following statement was submitted by Missy Kemp, via TEAMS. She wants to know if there are mediators in the group. Ms. Thomas stated that all the questions are being written down and a Q&A sheet that will be answered by the consultants will be distributed. All property owners and residents will receive it along with the presentation.

Resident Matt Connor thinks that owners/residents are not making decisions, but they are all facing the same questions. He noted that this is not the first Crystal Lagoon community in the country. He wants to ask if there is precedent. Regarding the Crystal Lagoon community in Tampa, he asked if anyone knows if that Developer sold their lagoon to that community. And, if that happened, how did that go.

Mr. Christovich stated that he will research it and advise.

Resident Tina Ho stated, if this included the lagoon, she would be on board, but the lagoon is a concern. If the CDD does not control the lagoon, the CDD cannot control the cost.

Resident and CDD Board Member Mark Kuper stated that the CDD properties are not touching or adjacent to the lagoon any place in the community. The CDD is not in a position, unless approached, to do anything about the lagoon. It is contemplated in some of the documents, but the CDD was told not to ask about it. If the Club were conveyed to the CDD, that would be different. The CDD would have responsibility and have the ability to ask some other questions, but right now the CDD is frozen and on hold.

It was noted that the lagoon would not be available to convey until it is turned over.

Resident Peter Martin thinks the question is very important and expressed concern about a lack of transparency. He thinks there needs to be better transparency because one of the rumors is that there will be a big benefit and the CDD will not have any liability. He expressed concern about adequate insurance and asked how much money is needed. He noted that the CDD got a new Board and they are making changes and doing great stuff without a lot of information being given.

Mr. Christovich stated that the point of his comments during the meeting is that they are trying to get the information from the Club to do the due diligence. The information, once it comes to the CDD, is all public information. The information has not been received so there is no lack of transparency.

A resident and Finance Committee Member stated he spent a lot of time looking at the books and records of the Club. He has several opinions. He pointed out that, when the books and records of the Club were presented to everybody, it showed 2023 as a loss, 2024 as a gain,

and this year as a loss, but there is a bias in there that we were collecting \$266 a month in 2023. He expressed concern that 2023 was the best year and that the Club is consistently losing money and a lot of money is going toward repairs. He supports engaging professionals to advise about the amenities and to figure out what to do.

Resident Fred Amato thanked Mr. Shact for showing what the survey was really about and then addressing the conveyance of taking over from the CDD. He thinks residents are concerned about what happens when the CDD takes it over, limiting public access to amenities and the cost. He expressed support for educating residents and offered to insert two-page articles in the magazine to educate and inform residents.

A Board Member stated that all the information being presented is being shared with residents as it is received and all CDD meetings are open to the public; the consultant prepared a report and Board Members have seen the information along with the residents. If something different is needed, another consultant can be engaged or revisions requested.

Mr. Shact stated that information was needed; now, the documents from the Club’s attorneys are needed so District Counsel can read them and review the facts. He expects that proposals will be solicited and presented at the next meeting.

FIFTH ORDER OF BUSINESS

UPCOMING MEETINGS

- **January 27, 2026 at 6:00 PM [Public Workshop – Amenity Study Presentation]**
- **February 24, 2026 at 1:45 PM [Regular Meeting]**

SIXTH ORDER OF BUSINESS

Closing Remarks

Ms. Thomas thanked Ray Passaro for moderating on TEAMS during the presentation. She stated that the questions were recorded and written down, and questions will be answered at tomorrow’s workshop.

SEVENTH ORDER OF BUSINESS

Adjournment

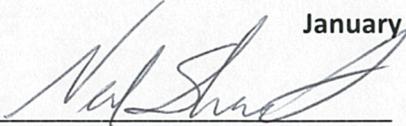
The workshop adjourned at 8:44 p.m.

TWIN CREEKS NORTH CDD

January 26, 2026



Secretary/Assistant Secretary



Chair/Vice Chair