

MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, October 11, 2019 at 9:30 a.m. at the Dunes CDD Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida.

Present and constituting a quorum were:

John G. Leckie, Jr.	Chairman
Gary Crahan	Vice Chairman
George DeGovanni	Assistant Secretary
Dennis Vohs	Treasurer

Also present were:

Greg Peugh	District Manager
Jim Perry	District Representative
Michael Chiumento	District Counsel
Dave Ponitz	District Engineer
Daniel Baker	Hammock Beach Resort
Carlton Grant	Hammock Beach Resort
Brad Hauer	Hammock Beach Resort

The following is a summary of the discussions and actions taken at the October 11, 2019 meeting. A copy of the proceedings can be obtained by contacting the District Representative.

FIRST ORDER OF BUSINESS

Roll Call

Mr. Leckie called the meeting to order at 9:30 a.m.

SECOND ORDER OF BUSINESS

Approval of Minutes

A. September 13, 2019 Meeting

Mr. Vohs and Mr. DeGovanni provided corrections, which will be included in the final version of the minutes.

On MOTION by Mr. Vohs seconded by Mr. Crahan with all in favor the minutes of the September 13, 2019 meeting were approved as revised.
--

THIRD ORDER OF BUSINESS

Audience Comments

Comments from the representatives of the Hammock Beach Resort were taken during the capacity fee discussion item.

FOURTH ORDER OF BUSINESS

Reports and Discussion Items

Discussion on Capacity Fee Issues for Commercial Accounts

Mr. Baker and Mr. Grant gave an overview of the remediation that took place to bring the Hammock Beach Resort's water consumption down to an acceptable level.

Mr. Peugh stated our intent is to do commercial audits every year once we get through the first one. From my perspective Hammock Beach Resort has done a great job. I don't see a reason to charge them the fees at this point. Going forward if consumption creeps up we will revisit that.

Mr. Leckie stated I don't think there is any reason for us to charge them anything extra.

Mr. Peugh stated Cinnamon Beach provided us with some additional information and they also said they added a splash park, which we weren't aware of, so we are setting up a meeting with them because initially they look like they're over their capacity. The Ocean Hammock golf clubhouse and 16th Road lodge went down significantly for Hammock Beach.

Mr. Ponitz stated Porto Mar illustrated they had a problem with fountains, and they've resolved that, so their usage has gone down significantly.

Mr. Peugh noted he would draft letters to the remaining commercial account holders with counsel to review prior to distribution.

Discussion Weir Structures / MalaCompra Drainage

Mr. Peugh stated we are working on the stormwater utility. CDM has given the scope and we are reviewing that and once we get a fee, we will present that to the Board. ETM has given us a draft of the report for where we're going to get the reclaimed water for the next several years, so we need to review that.

Mr. Crahan stated as part of the stormwater utility we are looking at a progressive program to clean out the system connecting the storm drains and lakes. Did we figure out any sort of order of magnitude of cost?

Mr. Peugh stated we would like to first locate all of the assets, i.e. manholes and pipes, and as they're doing that, we will get an initial assessment. If we can get through 10% every year we would like to do that but it's going to be a long-term plan to get through the stormwater system.

Mr. DeGiovanni suggested staff draft a letter to the homeowner's associations requesting that the landscape vendors avoid blowing debris into the culverts.

Renaissance / Beach Walk Development Update

Mr. Peugh stated we met with Charlie Faulkner, a civil engineer representing the Oare property, regarding Renaissance. He said the Atlee Development Group's due diligence was up this week and there may be an extension of a few weeks, so he wasn't sure what was going to happen with that.

Mr. Leckie stated I spoke with someone at ICI that said unless the price of the land comes down dramatically, he doesn't see anyone going forward with developing it.

Mr. Peugh stated it doesn't appear we've been charging the Oare property lot an availability fee for water, sewer and reclaimed. It's in the neighborhood of \$5,000 a year and they bought the parcel in 2005. We will look into it further and send them a bill so it may be a discussion at a later board meeting.

Beach Walk was approved at the September 16th meeting of the County Council for 50 units.

B. Hammock Dunes Marshes Update

Mr. Peugh stated the enclosures for this item are for your information. I wanted it included in the public records as documentation that we paid to not maintain the marshes. I'd like to have a comprehensive plan if we allow any clearing of those marshes or the Board elects to do any of the clearing. I know everybody wants the area near the 7th green cleared out. We met with the two of the homeowner's association's presidents and both golf courses to come up with a form so that if a homeowner, or in this case a golf course, wants to clear we'd have sign-off by the golf course, the homeowner's association and us. We would also run some of them by our consultant to make sure we aren't impacting something we shouldn't.

C. 2019 Public Facilities Report

Mr. Peugh stated this report is required every five years to be sent to the County, however we prepare one every year. Hammock Dunes is approximately 88% built out, Ocean Hammock and Hammock Beach are approximately 81% built out and Yacht Harbor is 48% built out.

Mr. Ponitz stated we completed two capacity analysis reports one for the water plant and one for the wastewater plant, which illustrates that with the water plant we should be good on capacity for full build out of the District. With us expanding the wastewater plant we went from 70% capacity last year and now we're back down to utilizing 52% capacity of the 0.71 million gallons per day capacity that we're now rated for. If we don't have any significant infiltration or any kind of other water breaches in our system that would cause more flow to come to the plant, we should be in good shape for full build out.

On MOTION by Mr. Crahan seconded by Mr. Vohs with all in favor the 2019 public facilities report was accepted.

D. Equipment Purchases

Mr. Peugh stated we have two equipment purchases. The first is for a Chevy Colorado to replace the 2009 Ford Ranger for \$29,189 and we budgeted \$30,500. The Ranger will now become the bridge truck so we will continue to use it. We also purchased a John Deere Gator to replace the 2007 GEM cart for \$14,438.15 and we budgeted \$16,000 for that. The GEM cart is giving us a lot of problems at the moment.

On MOTION by Mr. DeGiovanni seconded by Mr. Vohs with all in favor purchase of the Chevy Colorado and John Deere Gator was approved.

FIFTH ORDER OF BUSINESS

Staff Reports

Attorney

There being none, the next item followed.

E. Engineer - Report

Mr. Ponitz gave an overview of the engineer's report, a copy of which was included in the agenda package.

Mr. Leckie asked that staff keep the Board informed of the issue with pond number four discussed in Mr. Ponitz's report.

Manager

F. Bridge Report for September

Mr. Peugh stated vehicle traffic was down 12.6% and revenue was down about 30% for the month. Overall, we were down 1.58% on collections and traffic overall was up 4.64% for the past year. I think we would have been right at projections if not for the hurricane. We have 19,000 accounts; 4,560 are using the website and 3,800 loyalty cards have been sold. This month we closed 441 accounts that were over a year and a half old and that was a total of \$6,516.63.

G. Additional Budget Items Report

Mr. Peugh stated the only additional item is the pipe break related to pond number four. We got some numbers so we're at about \$20,000 right now but until we open it up, we don't know for sure.

Miscellaneous Items

Mr. Peugh stated European Village signed their contract and paid us our money. They also paid the insurance after I sent them another letter stating we would terminate the contract.

We cleared the corner of Jungle Hut and Hammock Dunes Parkway and installed sod.

There was a meeting at Sea Colony during which it was discussed the county, a new special district or the Dunes CDD running a project to re-nourish the beaches for 12 miles from Beverly Beach all the way up to the county line. This entity would maintain a perpetual easement and a maintenance easement and interact with the Army Corps of Engineers. They would probably bring the sand in from the ocean because it's the most economical way of doing it. Within the 12 miles there are 25 homeowner's associations and 200 private property homeowners. This issue will continue to come up.

Mr. Vohs asked at the last meeting about the traffic lanes at the 4-way stop; initially they said it will decrease the level of service but they don't know how much, so they will look into that and let us know if it can just be two right lanes, one left and one straight lane so they will do that in the preliminary design and let us know.

We hope to get the front entrance here completed in November. We found some pre-assembled panels we think will make the construction go much quicker and will make the facility much more secure.

SIXTH ORDER OF BUSINESS **Supervisors' Requests and Audience Comments**

There being none, the next item followed.

SEVENTH ORDER OF BUSINESS **Financial Reports**

- H. Balance Sheet & Income Statement**
- I. Community Projects Schedule**
- J. Assessment Receipts Schedule**
- K. Approval of Check Register**

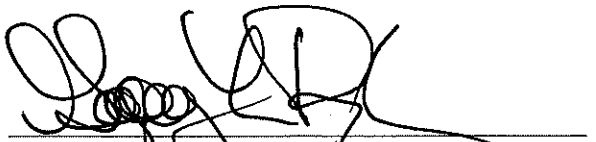
On MOTION by Mr. Vohs seconded by Mr. Crahan with all in favor the check register was approved.

EIGHTH ORDER OF BUSINESS **Next Meeting Scheduled for Friday, November 8, 2019 @ 9:30 a.m. at the Dunes CDD Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida**

Following the November 8, 2019 meeting at approximately 11:00 a.m. the Board will participate in a tour of the wastewater plant facilities. Notice of the tour will be included in the published notice of the regular Board of Supervisors meeting.

NINTH ORDER OF BUSINESS **Adjournment**

On MOTION by Mr. Crahan seconded by Mr. DeGovanni with all in favor the meeting was adjourned.



Secretary/Assistant Secretary



Chairman/Vice Chairman