

MINUTES OF MEETING  
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, November 8, 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
Charles Swinburn	Assistant Secretary
Dennis Vohs	Treasurer

Also present were:

Greg Peugh	District Manager
Jim Perry	District Representative
Michael Chiumento	District Counsel
Dave Ponitz	District Engineer

The following is a summary of the discussions and actions taken at the November 8, 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. October 11, 2019 Meeting**

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the minutes of the October 11, 2019 meeting were approved.
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**THIRD ORDER OF BUSINESS**                      **Audience Comments**

There were no audience members in attendance.

**FOURTH ORDER OF BUSINESS**                      **Reports and Discussion Items**

**Discussion on Capacity Fee Issues for Commercial Accounts**

Mr. Peugh stated Hammock Beach is again below their limit so that's good. On November 1<sup>st</sup> we sent out letters to seven other commercial account holders. We were contacted by Hammock Dunes Club who said they probably paid the fees to Palm Coast Utilities because they were there before the District was, so that is something we need to research and find out. We're slowly going through all of them and getting feedback. A lot of the overages have been leaks.

#### **Hammock Dunes Marshes Update**

Mr. Peugh stated this is just a placeholder. I don't have anything to update at this point.

#### **Discuss Weir Structures / MalaCompra Drainage**

Mr. Peugh stated looking at stormwater utility and getting reclaimed here, Palm Coast sent us some information from their pump station, and they have some spare reuse that they could get here. We looked at the old model and it should be three million gallons a day that could get here. The pump that is over there that we paid for 16 years ago probably has not been repaired and it just may be worn out. Getting a bigger pump may be a simple solution to getting as much reuse as we need. Palm Coast said they were going to remodel what they have and tell us what they think they can get over here and we will verify that, but if we can buy a pump it solves a lot of problems.

On the stormwater utility, CDM gave us a scope and a fee yesterday so we're reviewing that. Once we get where we think we should be we will bring that to the Board.

#### **Renaissance / Beach Walk Development Update**

Mr. Peugh stated Charlie Faulkner is the representative for the Oare property, which is where the Renaissance Project is, and he said the Atlee Development deal is dead, but they're talking to someone else. I also told him about the availability fees that we haven't charged since they bought the property. Their attorney was under the impression since it was zoned commercial that there shouldn't be a bill. I can't find anything in our rules about that, so I said if we send you a bill it's going to be significant. Once we send that bill, I will send a copy to the Board and then we will sit down and talk with those folks.

There is no news on Beach Walk.

#### **Discussion on Dunes Healthcare Rates and Options**

Mr. Peugh stated on page one we have the current plan, the cost of which is \$186,000 a year. The plan as we currently have it does not exist any longer because every year, they increase the deductible. We could migrate to a United Healthcare plan that is similar, and it would cost us about \$11,000 more. The other thing we looked at was Florida Blue, which is very similar. This is probably what I would recommend to the Board that we do. It's a \$16,000 decrease from what we currently have and some of the co-pays are better, while the benefits are very similar.

Mr. Crahan asked are there network overlays between the two?

Mr. Peugh stated they're very similar. There may be a few people that have to change doctors or pay out of network costs.

Mr. Crahan asked Mr. Ponitz if the rank and file employees were satisfied with the insurance. Mr. Ponitz responded affirmatively.

Page two goes into detail if we wanted to offer pricing for spouses and children. The costs of those are quite exorbitant. I was looking at a stipend but it's just not possible to offer stipends because they changed the rules. The only way to offer a stipend is to get rid of our entire health plan and hand people money for them to negotiate their own insurance. I don't want to do that. I'd rather keep our healthcare intact because it's a good benefit. The other option that we could do is on page four there is a P91XH plan. Right now, we pay \$942.50 for each employee. They can add their spouse and we would still pay \$942.50 towards them and the individual premium for the employee would go down to \$682.37 so that would save someone almost \$300 they could apply to a spouse, child or family plan.

On MOTION by Mr. DeGiovanni seconded by Mr. Vohs with all in favor the Florida Blue healthcare plan was approved.
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#### **B. Bridge Repair Engineering Services Proposal**

Mr. Peugh stated this proposal is for the engineering services related to the cathodic protection we wanted to do on the piers that was recommended a year or so ago, removing the ladder we talked about at one point, as well as the deficiencies they found in the two-year report. The current estimate for that is \$1.2 million. The engineering for this is \$93,834.46. It is in the budget and this is to keep the bridge in great condition.

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the bridge repair engineering proposal was approved.

**C. Consideration of Resolution 2020-01, Amending the FY19 General Fund and Water & Sewer Fund Budgets**

Mr. Perry stated in trying to tie out some of these numbers to the financials there are some that are a couple thousand dollars off and I believe what might have occurred is they prepared the resolution prior to finalizing the financials for the month so we would ask the Board to approve the resolution in substantial form and we will review the changes with the Chair. At the end of each year, based upon the items that the Board has approved during the course of the year we amend the budget, so we need to do that to basically reflect those approvals that have occurred during the fiscal year. We do that just once a year instead of doing it on a monthly basis. This is consistent with what we've done in prior years.

Mr. Peugh reviewed the purchases for the various line items that require amending the budget.

On MOTION by Mr. Swinburn seconded by Mr. Crahan with all in favor resolution 2020-01, amending the FY19 general fund and water & sewer fund budgets, was approved in substantial form with final approval by the Chair.

**FIFTH ORDER OF BUSINESS**

**Staff Reports**

**Attorney**

There being none, the next item followed.

**D. Engineer - Report**

Mr. Ponitz gave an overview of the engineer's report, a copy of which was included in the agenda package. Mr. Ponitz noted Reuse Storage Pond No. 4 piping and berm repairs were completed.

**Manager**

**E. Additional Budget Items Report**

Mr. Peugh stated I don't have the final numbers for the berm repair but once I do, I will include them in this report.

#### **Bridge Report for October**

Mr. Peugh stated vehicle traffic was up about 5% and revenue was down about 1.5% from last year and I think some of that can be attributed to the prepaid cards. I think in the end we will make money on those because people won't use all of the trips because they will expire but I won't know that data for at least a year.

Mr. DeGiovanni sent me an email about striping the Parkway. I've been looking at that and trying to balance that with repaving. I think repaving will happen in the next three years, so I don't think it's worth to restripe and then pull it up when we do the milling. I can get an estimate for restriping and bring that to the Board and then we can decide together.

We have 4,680 people using the website and about 19,000 total accounts.

#### **Miscellaneous Items**

Mr. Peugh stated I went to the County workshop on Monday for the special district that they were talking about to fund the dunes re-nourishment for the northern 12 miles of the county. The Commissioners all agreed it's important and they said they will likely authorize a \$250,000 planning contract with an engineer. The estimate is between \$57 million and \$70 million to put down 2.7 million cubic yards of sand pumped in from the ocean. The County Attorney is supposed to draw up an agreement to get them the \$1.3 million for the beach crossover and MalaCompra drainage projects so that will help them pay for some of the dunes as well as the \$250,000 seed money.

Mr. Crahan stated that the DCDD is to sign off on all the monies and projects that the County wants to be reimbursed for. Mr. Peugh stated that the project to repair the dunes at the end of 16<sup>th</sup>, Jungle Hut and MalaCompra Roads are complete. The MalaCompra Drainage Improvements are well under way and the County has likely spent over the \$900,000 already. Information regarding the monies spent will be included with the request for payment.

I told the County Administrator we've got \$85,000 in interest that we'd like to use for a beautification project and to buy the parcel from the Ocean Hammock Property Owners Association and he said that is fine and the county would just relinquish their stake in that and we can do those projects. In addition, I asked him for property at the four-way stop that we were going

to turn into a signal and I also asked him for another well site, some place to the south of here, and he said that's fine.

The bids for the toll plaza are due on December 10<sup>th</sup> so we should at least know what the number is when we come to the December meeting.

The other thing I have is the Uniti Fiber request and offer to install fiber on the bridge. They want to use our bridge and they want to serve the golf club, the roof top cell site and the Palm Coast water tower cell site. They offered \$2,500 for a perpetual license. Mr. Peugh was directed to get cost estimates for the fiber project prior to a decision being made on offering a perpetual license.

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

There being none, the next item followed.

**SEVENTH ORDER OF BUSINESS**                      **Financial Reports**

- F. Balance Sheet & Income Statement**
- G. Community Projects Schedule**
- H. Assessment Receipts Schedule**
- I. 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, December 13, 2019 @ 9:30 a.m. at the Dunes CDD Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida**

**NINTH ORDER OF BUSINESS**                      **Adjournment**

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


November 8, 2019

Dunes CDD



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Secretary/Assistant Secretary



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Chairman/Vice Chairman