

MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, January 8, 2021 at 9:30 a.m. at the Dunes Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida.

Present and constituting a quorum were:

George DeGovanni	Chairman
Gary Crahan	Vice Chairman
Rich DeMatteis	Assistant Secretary
Charles Swinburn	Assistant Secretary (via Zoom)
Dennis Vohs	Assistant Secretary

Also present were:

Greg Peugh	District Manager
Jim Perry	District Representative (Via Zoom)
Michael Chiumento	District Counsel (Via Zoom)
Dave Ponitz	District Engineer (Via Zoom)

The following is a summary of the discussions and actions taken at the January 8, 2021 meeting. An audio copy of the proceedings can be obtained by contacting the District Representative.

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Organizational Matters

A. Resolution 2021-02, Designating Officers

Mr. Peugh informed the Board at the last meeting the position of Treasurer was inadvertently left off of the list of designated officers.

On MOTION by Mr. DeGovanni seconded by Mr. Crahan with all in favor Resolution 2021-02, designating Mr. Vohs as Treasurer with the remaining officers retaining their designated positions was approved.
--

THIRD ORDER OF BUSINESS

Approval of Minutes

B. December 11, 2020 Meeting

There were no comments on the minutes.

On MOTION by Mr. Crahan seconded by Mr. Vohs with all in favor the minutes of the December 11, 2020 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

FIFTH ORDER OF BUSINESS

Reports and Discussion Items

C. Handbook Update Discussion

Mr. Peugh informed the Board it has been three years since the last update to the handbook and gave an overview of the proposed changes to be made. Most of the changes are to clean up the wording used, for clarification purposes. Two of the more substantial changes are updating the employee classifications under Section 2 on page 11 and adding holidays to the holiday schedule on page 21. Mr. DeMatteis suggested noting that the floating holiday is determined by the District Manager. Mr. Crahan suggested expanding upon the performance review section to note that the District will maintain employee files containing annual performance reviews and any warnings given to the employee.

On MOTION by Mr. Crahan seconded by Mr. DeMatteis with all in favor the employee handbook was approved in substantial form.

D. Selection of Audit Committee

Mr. Peugh stated our contract with Grau ends at the end of the Fiscal Year 2020. They are preparing that audit now and that will be the last one under their current contract, so we need to go through the RFP process.

Mr. Perry gave an overview of the RFP process.

On MOTION by Mr. Vohs seconded by Mr. Crahan with all in favor appointing the sitting Board as the Audit Committee was approved.

Discussion on Capacity Fee Issues for Commercial Accounts

Mr. Peugh stated Hammock Beach Resort is within their allowable water consumption capacity at the moment. They did reach out to me to discuss what they're doing to do this month and I can give you all an update from there. We sent a letter to Cinnamon Beach as we talked about last time with approximately \$23,000 in additional capacity fees. They've acknowledged receipt of it and want to talk to their board about it and then I anticipate they will send us a check.

Discussion on Stormwater Utility / Reclaimed Flow

Mr. Peugh stated staff has a meeting with our consultant CDM this week and we are going to review a dry run of what they're going to present to you at the February board meeting. The Board discussed the variables of establishing a stormwater utility fund.

Mr. Peugh stated Palm Coast has again tried to install their pump but have had more startup issues. We will keep you updated on the status of that.

Renaissance / Beach Walk / Lennar Homes Development Update

Mr. Peugh stated Renaissance appears to be moving forward. I have not heard anything more. Beach Walk is continuing the site work next door. We sent Lennar the preliminary capacity fee calculations and haven't heard from them yet.

SIXTH ORDER OF BUSINESS

Staff Reports

Attorney

Mr. Chiumento informed the Board he is continuing to try to get ITT to return the deed for the property in which the CDD intends to purchase for the potential four-way stop conversion.

E. Engineer - Report

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

Manager**F. Additional Budget Items Report**

Mr. Peugh stated the degasifier was repaired and it was a little over \$13,000. We're going to put it in the budget for next fiscal year to start the design and then fiscal year 2023 we would replace it. We think it's okay for now.

Bridge Report for December

Mr. Peugh reported that vehicle trips were down about 1% and the revenue was up about 2%.

Miscellaneous Items

Mr. Peugh stated I have a request from the Hammock Dunes golf course to clear the seventh green area. We brought our consultant out there to look at it. The solution to fix it correctly would be to clear it, continually spray it for probably six months to a year and then replant with marsh-type vegetation. The consultant is putting together a proposal and hopefully next meeting we will have cost estimates so you can see what this would entail.

At the last meeting Dennis asked about the signalization timing and what we can and can't do. I talked to our consultant. The timing can be set to be based on approaching vehicles. There are different ways you can do it so you won't be there for a full cycle. We can do two lanes, but it's a little harder to do it there because of the right turn. We'd probably have to change that embankment a bit to do that.

There are about 21,000 accounts for the bridge pass reports. We have sold 23,817 loyalty cards and currently we have about 7,000 online users. We have discussed closing accounts starting this January because we held off due to the pandemic. Loyalty cards are supposed to expire after one year. We want to continue to delay that until probably June or July because of the pandemic and give people a chance to use it. The Board agreed to extend the grace period for the loyalty cards.

The following item was taken out of order.

EIGHTH ORDER OF BUSINESS

Financial Reports

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

Mr. DeMatteis asked on page five of the water and sewer fund under irrigation, electric meters and replacement are way over. Is that just the timing?

Mr. Peugh responded the electric looks like a coding issue so I will check on that. We buy a bunch of the meters up front so that looks correct.

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

NINTH ORDER OF BUSINESS

Next Meeting Scheduled for Friday, February 12, 2021 @ 9:30 a.m. at the Dunes CDD Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida

SEVENTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

Mr. Swinburn asked on the additional budget items, the most recent of which is the degasifier, we have a column for Board meeting authorized. What level has to be authorized by the Supervisors?

Mr. Peugh responded there is no policy that I know of. If something breaks, in general I'm going to fix it and it needed to be fixed so there wasn't a board approval of it.

Mr. Swinburn stated I'm just wondering if for record purposes we should authorize it after the fact.

Mr. Perry stated you might want to set a dollar amount for things that are unbudgeted and then you can ratify them at a subsequent meeting. I'd have to go back and look if there is a dollar amount that the District Manager can approve without board approval.

Mr. Swinburn stated at the next meeting please give us a report on if there is a dollar amount and/or what the standard practice is with other organizations and we can decide whether we can put something in place or not.

Mr. DeMatteis stated at the December meeting we talked about the state approving a \$15 per hour minimum wage and we talked about concerns with that. Has there been any feedback from employees about that?

Mr. Peugh responded I'm going to get a report on estimates from an accountant. Once I get that information, I will report it to the Board.

TENTH ORDER OF BUSINESS

Adjournment

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



Secretary/Assistant Secretary



Chairman/Vice Chairman