

MINUTES OF MEETING  
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, August 13, 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 (via Zoom) |
| Rich DeMatteis   | Assistant Secretary      |
| Charles Swinburn | Assistant Secretary      |
| Dennis Vohs      | Treasurer                |

Also present were:

|                   |                              |
|-------------------|------------------------------|
| Greg Peugh        | District Manager             |
| Ernesto Torres    | District Representative      |
| Michael Chiumento | District Counsel             |
| Dave Ponitz       | District Engineer (via Zoom) |
| Sandy Ausbrooks   | Bridge Manager (via Zoom)    |

The following is a summary of the discussions and actions taken at the August 13, 2021 meeting. An audio copy of the proceedings can be obtained by contacting the District Representative.

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Minutes**

**A. Approval of the Minutes of the July 9, 2021 Meeting**

There were no comments on the minutes.

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| On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the minutes of the July 9, 2021 meeting were approved as presented. |
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**THIRD ORDER OF BUSINESS**

**Audience Comments**

There were no members of the public present.

August 13, 2021

Dunes CDD

**FOURTH ORDER OF BUSINESS****Public Hearing to Adopt the Budgets for  
Fiscal Year 2022**

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the public hearing was opened.

**B. Fiscal Year 2022 Budget**

Mr. Peugh gave an overview of the budget. Approximately \$306,000 will be transferred from the bridge fund to the general fund. General fund expenditures are up about \$7,000. For the water and sewer fund, revenues are up slightly from last year and expenditures are down about \$108,000. The capital reserve contribution increased approximately \$110,000. The bridge fund revenues are projected at the same level as last year and expenditures are up \$88,000, largely due to salary increases.

**C. Resolution 2021-06, Approving the Transfer of Funds from the Bridge, Water & Sewer Funds and General Fund Surplus to the General Fund for FY 2022**

On MOTION by Mr. Vohs seconded by Mr. DeMatteis with all in favor resolution 2021-06 was approved.

**D. Resolution 2021-07, Adopting the General Fund Budget for FY 2022**

On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor resolution 2021-07 was approved.

**E. Resolution 2021-08, Levying Assessments for FY2022**

On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor resolution 2021-08 was approved.

**F. Resolution 2021-09, Adopting the Water & Sewer Fund Budget for FY 2022**

On MOTION by Mr. Vohs seconded by Mr. DeMatteis with all in favor resolution 2021-09 was approved.

August 13, 2021

Dunes CDD

**G. Resolution 2021-10, Adopting the Bridge Fund Budget for FY 2022**

On MOTION by Mr. DeMatteis seconded by Mr. Swinburn with all in favor resolution 2021-10 was approved.

**H. Resolution 2021-11, Adopting the Section 125 Cafeteria Plan**

On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor resolution 2021-11 was approved.

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the public hearing was closed.

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor proceeding with the regular Board of Supervisors meeting was approved.

**FIFTH ORDER OF BUSIUNESS**

**Reports and Discussion Items**

**MalaCompra Drainage Discussion**

Mr. Peugh informed the Board the County is still awaiting approval of a permit for gopher tortoise relocation before the cleanup of the MalaCompra drainage ditch can begin.

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

Mr. Peugh informed the Board the Hammock Beach Resort is still operating within their allowable water consumption capacity.

**Discussion on Stormwater Utility / Reclaimed Flow**

Mr. Peugh reminded the Board the venue for the August 16<sup>th</sup> workshop to discuss the stormwater utility has been changed to the Ocean View Room at the Atlantic Grill Lodge due to the number of RSVPs received and concerns for COVID safety. He also stated that he attended an Island Estates Owner’s Association meeting on August 2<sup>nd</sup> to answer questions about the stormwater utility. He explained Island Estates owners are only subject to a \$5 maintenance fee due to there being no lakes within the community, however they asked if they were able to opt out

August 13, 2021

Dunes CDD

and take over maintenance responsibility of the seven easements. The Board is not in favor of allowing Island Estates to opt out of the maintenance fee.

Mr. Peugh informed the Board a contractor will be brought in on August 25th to test the flow and pressure of Palm Coast's reclaimed transmission pump.

### **Oasis / Beach Walk / Lennar Homes Development Update**

Mr. Peugh informed the Board Oasis has provided plans which District staff are reviewing. They have asked the District to accept the stormwater for the development. Lennar Homes has asked for the same. Beach Walk has not yet commenced construction of any homes.

### **Investment Update**

Mr. Peugh is continuing to try to find a firm able to provide alternative options for investing funds to increase interest revenues. However, he noted the interest rate has increased since last month.

### **I. Discussion Regarding Bridge Rating and 2021 Inspection Report**

Mr. Peugh informed the Board the only minor issue mentioned by the contractor Kisinger Campo was that there is a little more spalling since the last inspection report was created in 2019, so those issues will be fixed. The bridge was noted to be in good condition but is beginning to show its age. Mr. Crahan asked that Mr. Peugh distribute a flyer to educate residents on the condition of the bridge and how the bridge funds are used for maintenance.

## **SIXTH ORDER OF BUSINESS**

### **Staff Reports**

#### **Attorney**

Following up on a demand made prior to the previous meeting by a homeowner that the District address erosion issues, Mr. Chiumento informed the Board that he replied to the homeowner stating that the District is responsible for the lake as it is in the plats and asked for a survey showing the boundary of the lot and supporting information to their claims. The District's policy has been to not get involved with fixing lake banks. Mr. DeGiovanni directed staff to prepare

August 13, 2021

Dunes CDD

a letter for future reference that informs anyone that asks that the District does not repair lake banks.

**J. Engineer - Report**

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

**Manager**

**K. Bridge Report for July**

Mr. Peugh informed the Board vehicle trips were up 8% and revenue was up about 10% from last year. There are 19,880 bridge pass accounts, 9,500 loyalty cards, 8,500 online users, and 5,200 credit card users at the toll both.

**L. Additional Budget Items Report**

There were no additional budget items to report.

**Miscellaneous Items**

Mr. Peugh asked for the Board’s consent to send a letter to the County requesting that signs not be allowed to be placed within the right of ways along the Parkway. There were no objections from the Board.

**SEVENTH ORDER OF BUSINESS                      Supervisors’ Requests and Audience Comments**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS                      Financial Reports**

- M. Balance Sheet & Income Statement**
- N. Assessment Receipts Schedule**
- O. Community Projects Schedule**
- P. Approval of Check Register**

Mr. Peugh noted there was an error in the financials under the bridge fund in which it appeared there was a negative number for salaries, so that has been revised.

August 13, 2021

Dunes CDD

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

The Board discussed Mr. Peugh's performance.

**NINTH ORDER OF BUSINESS**

**Next Scheduled Meetings: Workshop on August 16, 2021 at 10:00 a.m. at the Atlantic Grill Lode, 105 16<sup>th</sup> Road E., Palm Coast, Florida and Regular Board of Supervisors Meeting on September 10, 2021 at 9:30 a.m. at the Dunes Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida**

**TENTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Vohs seconded by Mr. DeMatties with all in favor the meeting was adjourned.

DocuSigned by:  
*Gregory L Peugh*  
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Secretary/Assistant Secretary

DocuSigned by:  
*George DeGiovanni*  
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Chairman/Vice Chairman