

**MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, February 11, 2022, 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
Dennis Vohs	Treasurer

Also present were:

Greg Peugh	District Manager
Darrin Mossing	District Representative
Michael Chiumento	District Counsel
Dave Ponitz	District Engineer (via Zoom)

The following is a summary of the discussions and actions taken at the February 11, 2022 meeting. An audio copy of the proceedings can be obtained by contacting the District Representative.

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Minutes

A. Approval of the Minutes of the January 14, 2022 Meeting

Mr. DeGovanni provided corrections to the minutes, which will be included in the final version.

On MOTION by Mr. Crahan seconded by Mr. DeMatteis with all in favor the minutes of the January 14, 2022 meeting were approved.
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THIRD ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

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FOURTH ORDER OF BUSINESS

Reports and Discussion Items

Discussion on Capacity Fee Issues for Commercial Accounts

Mr. Peugh informed the board the Hammock Beach Resort was under their allowable water consumption capacity last month.

Oasis / Beach Walk / Lennar Homes Development Update

Mr. Peugh updated the Board on the Oasis, Beach Walk and Lennar Home developments. Staff is awaiting the final set of plans from the Oasis developers and will hold the check for the capacity and connection fees previously received until final plans are submitted and approved.

Development is progressing for the Beach Walk development with two model homes constructed. Mr. Peugh also noted he has spoken to the stormwater fee consultant about how the District would incorporate interlocal agreements or any other necessary documents for developments outside of the District's boundaries.

Staff is awaiting final plans for the Lennar Development.

Stormwater Utility / Reclaimed Flow Discussion

Mr. Peugh informed the Board the first stormwater utility bills have been sent to the customers.

In regard to reclaimed flow, field supervisor has checked the valves at the Palm Coast water treatment plan to ensure there are no issues stemming from closed valves causing a reduction in flow to the District. We are also working on the model for the new reuse transmission pump. Mr. Peugh has a meeting scheduled with Palm Coast to discuss the pump.

Discussion on DCDD Functions Outline

Mr. Peugh presented the Board with a draft outline detailing the CDD's purpose and responsibilities that will be presented at the homeowner's association meetings to provide clarification on the District's purpose. Mr. Crahan provided a couple of minor comments on the outline.

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FIFTH ORDER OF BUSINESS**Staff Reports****Attorney**

There being nothing to report, the next item followed.

B. Engineer - Report

A copy of Mr. Ponitz's report was included in the agenda package for the Board's review.

Manager

Mr. Peugh informed the Board he met with the president of Cline, the District's contractor for the toll facility construction, after the last board meeting to provide notice that the District will pursue liquidated damages unless the project is substantially complete by April 10th.

C. Bridge Report for December

Mr. Peugh reported that vehicle trips were up approximately 7% and revenue was up approximately 8% from last year. There were 481 bridge pass accounts closed with \$6,603.70 worth of funds remaining in the accounts. He also informed the Board the Bridge Manager has resigned and he has begun the process of selecting a permanent replacement.

Signs have been ordered for the four-way intersection to remind drivers to use their turn signal in an attempt to reduce the wait times at the intersection. Mr. Peugh went on to report a ramp to A1A is a possible alternative to relieve traffic, however it would have to be installed near the Oasis development and would cost approximately \$4 million. Furthermore, the pedestrian traffic would have to be reconfigured, which would be an additional expense. Mr. DeGiovanni stated that he was against the idea of the ramp. Mr. Crahan stated that he thought it was worth asking DOT if the ramp is technically possible.

In regard to the Hotel Trace crosswalks, Mr. Peugh provided four options to repair or replace the pavers. The recommendation was to periodically shut down the lane and complete the repair with similar pavers. The Board agreed that was the best option.

Following up on a question from Mr. Crahan at the previous meeting regarding what studies have been done so far, Mr. Peugh reported there is a full capital reserve study for the CDD by Community Advisors that was done in 2015 and there is also a water, wastewater and effluent

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system rate evaluation and revenue sufficiency study that was done in 2016. He noted an update will not be needed until a rate increase is determined to be necessary.

At a previous meeting Mr. Crahan also asked that Mr. Peugh contact the District's auditor to confirm if it's necessary to amend the general fund budget with the implementation of the stormwater fund budget. The auditor did not indicate that it was necessary to do so.

Mr. Peugh informed the Board that the County approved an emergency ingress/egress off Blue Heron Lane years ago that was supposed to be eight feet wide, have a stabilized base, and have concrete on top, however there is no concrete on top. Residents in the area have reported motorcycles cutting through this area during heavy traffic. Mr. Peugh recommended planting jasmine to deter that activity, as it does not completely block access in the event of an emergency. There were no objections from the Board.

Following up on a concern brought up by Mr. Crahan at a previous meeting about the concrete patching not being sealed on the bridge pilings, Mr. Peugh stated that sealing the concrete could create an oxygen corrosion cell, which could cause it to deteriorate quicker.

Mr. Peugh also informed the Board that he met with two companies to discuss tolling options such as SunPass. Proposals for the options will be brought to the Board at a future meeting.

Lastly, Mr. Peugh reported there are 20,361 accounts, around 62,000 loyalty cards have been sold, there are 8,750 website users and last month 3,870 credit card transactions took place in the toll booth.

D. Additional Budget Items Report

Mr. Peugh noted that the unbudgeted items purchased included on last month's report were not approved via a motion. That report included some components damaged on a Sequencing Batch Reactor due to a lightning strike at a cost of \$5,920; replacement of an equalization tank blower motor due to catastrophic failure at a cost of \$4,500; a 150HP reuse pump motor replaced at a cost of \$18,000 due to failure for unknown reasons; and a jockey pump motor replaced at a cost of \$12,026 due to age. There are no additional items to report for this month.

<p>On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor the additional budget items reported in the January meeting were approved.</p>

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See comment made by Mr. Swinburn below under Supervisor Requests related to the additional budget items report.

SIXTH ORDER OF BUSINESS**Financial Reports****E. Balance Sheet & Income Statement****F. Assessment Receipts Schedule****G. Approval of Check Register**

The Board reviewed the financial statements, copies of which were included in the agenda package, and made the below motion to approve the check register totaling \$480,454.56.

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

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

Ms. Rhonda Mossing introduced herself noting that she once worked for a previous management company of the District and also noted that she is an investment banker if the District ever needs to consider financing options.

Supervisor Requests

Mr. Swinburn asked the Board to think about not requiring Mr. Peugh to have certain expenses approved given that the Board previously authorized a discretionary spending amount that does not require prior Board approval. In the future, Mr. Peugh will change the "Board Meeting Authorized" column on the additional budget items report to "Board Meeting Discussed/Approved" and will notate if an expense is over the discretionary amount.

Mr. Crahan commented that the Dunes bridge is rated in a 6-7 category on a 0-9 rating scale, which is considered good or satisfactory.

EIGHTH ORDER OF BUSINESS

Next Meeting Scheduled for March 11, 2022 at 9:30 a.m. at the Dunes CDD Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida

NINTH ORDER OF BUSINESS**Adjournment**

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

DocuSigned by:
Greg Peugh
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Secretary/Assistant Secretary

DocuSigned by:
George DeGiovanni
A152983CAC884CA...
Chairman/Vice Chairman