

MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, December 10, 2021, at 9:30 a.m. at the Dunes Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida.

Present and constituting a quorum were:

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

Also present were:

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

The following is a summary of the discussions and actions taken at the December 10, 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 November 12, 2021 Meeting

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

Mr. Crahan asked if there was an answer to Mr. DeMatteis's question on page 5 of the minutes as to how the capital reserve contributions are being made. Mr. Peugh clarified that rather than depositing the total \$236,000 budgeted amount into the capital reserve fund and pulling from that account, funds are pulled as needed and at the end of the year any remaining funds are deposited into the capital reserve fund account. Mr. DeMatteis feels the proper funding of the account should

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be shown in addition to the transactions going in and out of the account. Mr. Peugh stated that staff can work on doing that in the future.

On MOTION by Mr. Crahan seconded by Mr. Vohs with all in favor the minutes of the November 12, 2021 meeting were approved as revised.

THIRD ORDER OF BUSINESS

Audience Comments

There were no members of the public present.

FOURTH ORDER OF BUSINESS

Reports and Discussion Items

B. Consideration of Engineering Proposal for Repaving Hammock Dunes Parkway and Camino Del Mar

Mr. Peugh presented the proposal from Kissinger Campo totaling \$39,989.75 and noted the plan is to design in early 2022, bid the project in the summer of 2022 and pave in the fall of 2022. The purpose of this proposal is to allow Kissinger Campo to provide bid plans and specifications, assistance in the bidding process, and roadway and temporary traffic control plans. The areas to be paved are Hammock Dunes Parkway, Camino Del Mar, the plant site, the parking lot, and the back apron of the back entrance. Mr. Peugh also informed the Board that at Hotel Trace there are two paver crosswalks that are cracking that either need to be replaced or eliminated. His preference from an engineering standpoint would be to eliminate the crosswalks and pave the area with asphalt. Mr. Peugh will ask the engineer their opinion on what the options are for the crosswalks and will bring those options back to the Board. Mr. Crahan stated that given the issues with the construction of the toll building, he would like to see a project completion date in the RFP for the paving project.

On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor Kissinger Campo's proposal for engineering services related to repaving of roadways totaling \$39,989.75 was approved.

C. Toll Facility Construction Schedule

Mr. Peugh gave an overview of the history of the toll facility construction project. Originally, there were two parts to the contract. The first was to remove and replace the underground storage tank and generator. That portion of the project started September 22, 2020

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and ended March 21, 2021. There was an alternate bid to renovate the building and install a parking lot. That project started January 4, 2021 and was supposed to last 180 days initially but was extended to April 10, 2022. However, the substantial completion date on the current construction schedule is July 22, 2022. Mr. Peugh has informed the contractor that is unacceptable and if the completion date is not corrected the District will pursue liquidated damages.

D. Health Insurance Options

Mr. Peugh presented a summary of bid responses for health insurance options. The increase for 2022 with the current provider, Humana, will be \$25,000, or 18%. Florida Blue came in 41% higher and United Healthcare came in 30% higher. Mr. Peugh's suggestion is to maintain Humana as the insurance provider. He noted the only complaint from employees is the \$600 emergency room copay. The Board discussed offering a Flexible Spending Account to plan for unexpected expenses such as those with the District matching employee contributions up to \$500.

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| On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor maintaining Humana as the insurance provider and offering an option of a flexible spending account with the District matching up to \$500 in contributions was approved. |
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MalaCompra Drainage Discussion

Mr. Peugh informed the Board the MalaCompra ditch was cleaned prior to Thanksgiving. There were a couple hundred feet that were not completely cleaned up just before the bridge as the equipment being used was too heavy for the area. He's asked the County to put the ditch on a schedule to be cleaned every five years. He also informed the Board the County intends to pave MalaCompra Road in 2022 and clean the roadside ditches along it at the same time.

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 by 122,000 gallons.

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Stormwater Utility / Reclaimed Flow

Mr. Peugh noted staff is still putting together the programming and preliminary billing for the stormwater utility. Billing is still on schedule to begin in January.

In regard to reclaimed flow, Mr. Peugh informed the Board the plan is go onsite to the Palm Coast wastewater treatment plant to check the valves to ensure there are no issues, and then the District will move forward with recommending a pump for the City.

Oasis / Beach Walk / Lennar Homes Development Update

Mr. Peugh informed the Board that Mr. Ponitz is reviewing another set of drawings provided by the Oasis development.

Beach Walk has not yet begun construction on any homes.

Lennar is addressing the District's comments on their development plans.

Investment Update

Mr. Peugh informed the Board he spoke with a contact Mr. Chiumento provided regarding investment of funds at a higher interest rate, and he advised that the District hold for now on making any changes as no one knows what is going to happen with the inflation of the current market.

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

Mr. Chiumento addressed a previous question from Mr. Swinburn that was asked regarding whether there need to be policies on liability insurance for the board. He spoke to some local cities and counties and none of them have policies as to whether they have liability insurance or not, so he noted the Board could adopt a short policy simply stating that it's a policy that the Board maintain liability insurance. Mr. Peugh stated that he could draft a resolution for the purpose of adopting such a policy.

Mr. Chiumento also informed the Board he has made the County aware that the land located at the four way stop is still under the ownership of ITT so that the roll will reflect such and any bills will be sent to ITT's attention.

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E. Engineer - Report

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

Manager**F. Bridge Report for November**

Mr. Peugh informed the Board that vehicle trips were up 7% and revenue was up about 8% from last year.

Mr. Peugh went on to report there are almost 20,000 bridge pass accounts, a little over 9,000 online users, 4,100 credit card users in the toll booth, and almost 48,100 loyalty cards have been sold.

G. Additional Budget Items Report

There are no additional budget items to report at this time, however Mr. Peugh noted there will be some next month as there was a lightning strike on the Sequencing Batch Reactor equipment.

Mr. Peugh reminded Mr. DeGovanni and Mr. Swinburn that their seats are up for election in 2022.

Mr. Peugh noted he recently attended an AWWA conference, and he advised the Board of things that were discussed in the conference that the District may need to address in the future such as new regulations on PFAS, PFOS, Gen X, copper and lead services, as well as cyber security.

SIXTH ORDER OF BUSINESS**Financial Reports****H. Balance Sheet & Income Statement****I. 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 \$571,107.69.

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| On MOTION by Mr. Vohs seconded by Mr. DeMatteis with all in favor the check register was approved. |
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SEVENTH ORDER OF BUSINESS Supervisors' Requests and Audience Comments

There were no comments from members of the public.

Supervisor Requests

Mr. Crahan informed the Board the Ocean Hammock HOA had an issue come up at their meeting from a homeowner that an area along Blue Heron was cleaned out and now looks like a wide-open area. While that particular issue is under control, he wanted to bring it up and note that it's easily resolved with some sort of landscaping.

Mr. Vohs asked about the current economic stimulus legislation and if there is anything else staff has looked at such as repaving the Hammock Dunes Parkway. Mr. Peugh responded that he asked if the paving could be paid for, and the response was it is general maintenance and it is not likely that the District would receive money. He also asked about funding for the traffic signal and the response was there are so many other communities that have more need, so the District would essentially be the last in line.

Mr. Crahan asked if there is anything that can be done about odors. Mr. Peugh responded there are things that can be done, but the odors have not risen to a level that make any solutions worth exploring.

EIGHTH ORDER OF BUSINESS

Next Meeting Scheduled for January 14, 2022 at 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. Crahan seconded by Mr. Vohs with all in favor the meeting was adjourned.

DocuSigned by:
Greg Peugh
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Secretary/Assistant Secretary

DocuSigned by:
George DeGiovanni
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Chairman/Vice Chairman