

MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, April 8, 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
Dave Ponitz	District Engineer
Michael Chiumento	District Counsel (by Zoom)

The following is a summary of the discussions and actions taken at the April 8, 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 March 11, 2022 Meeting

There were no corrections to the minutes. Mr. Crahan commented that he felt the minutes were too condensed and had no ticklers for requested information.

On MOTION by Mr. Crahan seconded by Mr. DeMatteis with all in favor the minutes of the March 11, 2022 meeting were approved.

THIRD ORDER OF BUSINESS

Audience Comments

There being no audience members present, 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 by 158,000 gallons. He has spoken to the General Manager who has clarified that there will be no dining in at the pizza restaurant, only takeout. Mr. Ponitz is reviewing the plans for the establishment, although Mr. Peugh did note everything will go through a grease trap. Staff is hoping to find the original calculations to find out how much water it was designed to use.

Mr. Crahan commented that the Hammock Beach Resort seems to be selling a lot of major assets, such as the marina, which is going to facilitate the new lodge and will have a major impact on the District. Mr. Peugh stated that Daniel Baker spoke with the new owners two years ago who stated that the plans were for a facility to hold around 200 rooms. They were advised if the facility wanted the District to provide water, the plans will need to be approved.

Oasis / Beach Walk / Lennar Homes Development Update

Mr. Peugh updated the Board on the Oasis, Beach Walk and Lennar Home developments.

Oasis has addressed all of the District's comments and the check has been deposited, so the District intends to sign off so the development can move forward.

Development is progressing for Beach Walk with two model homes being constructed.

District staff has provided comments on the latest set of plans for the Lennar Development.

Mr. Crahan asked if there has been a response from the Beach Walk contractor regarding the RO concentrate line that was damaged. Mr. Chiumento stated that the contact information provided for the subcontractor was inaccurate, so if the Board wants to move forward, the legal suit will have to be taken with the contractor. There were no objections from the Board.

Stormwater Utility / Reclaimed Flow Discussion

In regard to the stormwater utility, Mr. Peugh informed the Board CDM owes the District a manual on policies and procedures for properties outside the District's boundaries that would flow into the District and therefore need to be charged in the future.

In regard to reclaimed flow, Mr. Peugh reminded the Board that the pump flowing from Palm Coast to the District is not producing the flow that it should and anything that has been done

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so far to investigate why has not produced any answers. The new pump that has been contemplated will not work as the next step up is 700 horsepower, which is not feasible. The next step to increase the flow is to investigate how many easements there are and either parallel the line or dig up the line and analyze it. Mr. Peugh also noted the contract with Palm Coast currently says the District has first priority rights to the first maximum daily volume of 1.6 million gallons; 650,000 goes to Grand Haven and the District receives the next 500,000 gallons, which gives the District a total of 2.1 million gallons per day. He would like a contract with Palm Coast that says they will provide what is reasonable, such as three million gallons, before spending money to improve the pipeline.

Discussion on Traffic Concerns

Mr. Peugh informed the Board the signs reminding drivers to use their turn signals are up at the four-way stop. He also stated that he made a presentation to the Hammock Community Association Board about traffic and DCDD issues. A representative from the Flagler County engineer's office was present and asked why a roundabout is not being considered, to which Mr. Peugh responded there is not enough room. A resident expressed concern about the difficulties of turning out of Yacht Harbor at certain times. The Flagler County representative spoke to the possibility of putting a signal or roundabout at that intersection, stating that it's up to funding. Mr. Peugh noted that residents can contact the County to express their safety concerns.

Mr. Peugh presented an option for increasing only the cash toll fees. The current rates are \$2 for 2 axles, \$3 for 3 axles, \$3.50 for 4 axles and \$5 for 5 axles. The proposed option rates are \$3 for 2 axles, \$4 for 3 axles, \$5 for 4 axles and \$6 for 5 axles.

The Board discussed the possibility of discontinuing the loyalty cards. Mr. Peugh asked to hold off on discontinuing them until the construction of the toll facility is complete. Mr. Crahan asked that at the next meeting Mr. Peugh provide the Board with the layout of the toll facility showing the traffic flows in and out of the parking lots. Mr. Swinburn suggested postponing increasing the cash toll rates until the budget for next year is adopted, or see what the result is when the loyalty cards are discontinued. Mr. Peugh stated that it will take approximately a year to see results from discontinuing the loyalty cards given that they are effective for a year after issuance.

FIFTH ORDER OF BUSINESS

Staff Reports

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Attorney

Mr. Chiumento informed the Board that the property appraiser has changed the name of the title for the four-way stop property to the District's name.

B. Engineer - Report

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

Mr. Ponitz informed the Board that after submittal of the engineer's report for the agenda package, another pay application, number fourteen, was paid for a total of \$111,000 for the toll facility.

The Board discussed the water quality and misinformation that circulates, including the effectiveness of water softeners. Mr. Peugh noted he believed a mailing was sent last year regarding this topic that he would bring to the next meeting for the Board to review again. Mr. Vohs suggested sending the same mailing out periodically and asking the homeowner's associations to do the same. Mr. Ponitz stated that there is a packet sent to all new customers that includes the information. Mr. Crahan asked to see the information that is provided to those new customers.

The Board asked for clarification of the lead and copper water sampling and testing process. Mr. Ponitz explained that the Department of Environmental Protection and District collaborate to choose sample points, and then the customer has to agree to allow a sample to be taken from their home. That sample is then sent to a lab for testing.

Manager**Bridge Report for March**

Mr. Peugh reported the following information related to the bridge:

Vehicle trips were up approximately 5% and revenue was up approximately 6% from last year.

A proposal was provided by TransCore for tolling options, such as a SunPass type system, in the amount of \$518,000. However, Mr. Peugh noted that is a rough number and could increase. He will provide an analysis to the Board once more information is available.

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Lastly, Mr. Peugh reported there are 20,350 accounts, around 57,000 loyalty cards have been sold, there are about 9,000 website users and last month about 5,400 credit card transactions took place in the toll booth.

Miscellaneous Items

Mr. Peugh informed the Board vegetation has been installed along Blue Heron Lane to prevent motorcycles from cutting through the area during heavy traffic periods.

C. Additional Budget Items Report

There were no additional budget items to report this month.

SIXTH ORDER OF BUSINESS

Financial Reports

D. Balance Sheet & Income Statement

E. Assessment Receipts Schedule

F. 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 \$855,700.59.

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

Mr. Vohs asked if Oasis has alluded to when they will start their project. Mr. Ponitz responded that Flagler County is waiting on the District’s final approval of the utilities and then a pre-construction meeting will be scheduled by the County.

Mr. Swinburn stated that a notice has been put up at the Lennar property of upcoming public hearings and asked if it is worth having a District representative attend. Mr. DeGiovanni stated that he was planning to attend.

Mr. Peugh informed the Board the preliminary budget will be presented at the next meeting, which will include the new stormwater fund budget.

SEVENTH ORDER OF BUSINESS

Supervisors’ Requests and Audience Comments

There were no audience members present.

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Supervisor Requests

Mr. Crahan stated that Mr. Peugh’s presentation done at the HCA meeting was done well, but it made him realize that the Board needs to think about what the issues are for each group addressed. A question asked was why tolls are being paid if there is money in the bridge accounts, which Mr. Peugh answered by explaining the ongoing maintenance, however Mr. Crahan felt what wasn’t emphasized enough was the community projects contribution related to the bridge. Additionally, they didn’t realize tolls were not increasing for the people who reside in the community.

Mr. Crahan commented that he’s noticed a lot more electric bikes on the sidewalks, and suggested adding signage prohibiting motorized vehicles. Mr. Peugh stated that he would speak to Mr. Chiumento about providing a resolution to institute the rule at the next Board meeting.

Mr. Swinburn stated that those in attendance of the homeowner’s association meeting via Zoom were not able to hear at times and the slides did not change throughout the entire presentation. Mr. DeGiovanni stated that the audience was receptive, and the presentation was posted on the HDOA website for viewing. Mr. Peugh stated that the presentation is also up on the District’s website. Mr. DeMatteis asked if the presentation is on Ocean Hammock’s website. Mr. Peugh responded that it has been sent to a representative of the owner’s association and he will follow up to ask if it can be posted.

EIGHTH ORDER OF BUSINESS

Next Meeting Scheduled for May 13, 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. Vohs seconded by Mr. Swinburn with all in favor the meeting was adjourned.

DocuSigned by:
Gregory Peugh
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Secretary/Assistant Secretary

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