

MINUTES OF MEETING  
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, May 13, 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 (by Zoom)

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 May 13, 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 April 8, 2022 Meeting**

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

One of the corrections Mr. Crahan provided was to change “lodge” to “Hammock Beach Resort” on page two. Additionally, he informed the Board the resort’s goal is to break ground on the addition to the resort this year, so the District will need to contact management of the resort to inquire as to what the utility requirements are.

On MOTION by Mr. Crahan seconded by Mr. Swinburn with all in favor the minutes of the April 8, 2022 meeting were approved.
----------------------------------------------------------------------------------------------------------------------------

May 13, 2022

Dunes CDD

**THIRD ORDER OF BUSINESS****Audience Comments**

Mr. Richard Hamilton stated I've been on and off the board of Island Estates for 20 years. I also share in a sub-committee on the scenic A1A, they call it A1A Safety Flagler. They asked me to try and coordinate all the different issues on safety on the road and the trails and work with all the different entities that are involved in that to try and spearhead some projects. It's a bit like herding cats because there are so many entities involved. Working with Greg and his team is a delight. I wish everybody else was as good, thorough, and responsive as they are. I noticed in your agenda that you have some continuing issues about the discussion of the toll and the bridge. I'd like to make some comments about the cycling pathways and perhaps some suggestions for consideration. I've talked to Greg about it, and I know there are various issues, not the least of which is money, but also your capacity on the bridge. One issue that we have is that the Hammock Dunes bridge and Flagler Beach bridge are the only two connections that we have between A1A and the rest of the county bicycle trail system, so anyone interested in cycling, knows they have to get down A1A and across one of the bridges. A1A is a very important part of Florida's trail network. You know the congestion on this side of the bridge, and if you're cycling over it, suddenly the trail disappears, or veers off to one side. If you're trying to go over to Palm Coast, you don't have the space for a trail, so you have to cycle a bit in the road. Then you have the maintenance and breakdown lanes, which most cyclists use, but there's no clear marking and cars will veer over into that. I want to show you what Flagler Beach has done, which is mark it off to try and discourage vehicles from moving over to that side. It looks to me that you're probably a year or so away from restriping across the bridge. Would you consider putting that sort of marking? Then when you get to the other end, where you're doing all the work on the toll, the bike path on the southside is currently torn up, but I see in the plans you are going to be restoring that. But instead of having an abrupt turn if you're coming over that pathway and you want to go out into the roadway, it looks to me as if your plans will soften that, so you discourage cyclists from going on the pedestrian walkway.

Mr. DeGiovanni asked if Mr. Hamilton would prefer the bike path on the north side of the bridge.

Mr. Hamilton responded if you have the ability, do it on both sides, because it doesn't stop you from using it for maintenance.

May 13, 2022

Dunes CDD

Mr. Hamilton pointed the Board to a map he provided of the lanes coming toward the bridge noting how the lane heading towards Palm Coast narrows as it gets closer to the toll booth, and how it shows the abrupt turn cyclists would need to make to continue onto a path. Mr. Peugh stated that the Board will be going over a map of the toll booth and he thinks that problem has been solved. Mr. Hamilton also explained if a cyclist is in the lane heading from Palm Coast towards Hammock Dunes, if they're in the breakdown lane, it's an unmarked abrupt turn onto the bike path to come down from the sales office and that turn could also be softened.

#### **FOURTH ORDER OF BUSINESS**

#### **Reports and Discussion Items**

##### **B. Consideration of Resolution 2022-04, Approving a Proposed Budget for Fiscal Year 2023 and Setting a Public Hearing Date for Adoption**

Mr. Peugh noted the budget included in the agenda package is substantially the same as last years, and as the months go by, the budget will be updated with the latest numbers.

On MOTION by Mr. DeMatteis seconded by Mr. Crahan with all in favor Resolution 2022-04 approving the proposed budget for Fiscal Year 2023 and setting a public hearing for August 12, 2022 at 9:30 a.m. at the Dunes Administrative Office was approved.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Mr. Crahan asked if there is an increase projected for health insurance costs. Mr. Peugh responded that a 15-20% increase is anticipated.

Mr. Peugh informed the Board the administrative office has flooded again and also mentioned that the furniture is aging. He proposed a budget of approximately \$30,000 for furniture and flooring replacement. Mr. Crahan stated that he'd like to see a scaled drawing of the meeting room layout that includes the proposed furniture.

Mr. Peugh asked if the Board would like to include an increase in cash toll rates in the FY23 budget. The Board discussed waiting on the termination of the loyalty passes prior to deciding on whether to increase the cash tolls.

Lastly, Mr. Peugh cautioned that an increase in rates will need to be considered in the future due to salary increases.

##### **C. Report on the Number of Registered Voters**

Mr. Peugh reported that there are 2,714 registered voters residing within the District boundaries.

May 13, 2022

Dunes CDD

**D. Toll Facility Traffic Layout**

Mr. Peugh provided the Board with an overview of what the new toll facility layout will look like. It was recommended to keep bicycles away from the toll arms, so bicycles and pedestrians will be directed around the back of the toll building, and there will be an additional transition to the bike path to alleviate the issue of the sharp turn for bicyclists. Mr. Crahan asked about the indoor area of the new facility. Mr. Peugh responded that the employee feedback has been positive. Mr. DeGovanni suggested installing a panic button for the bridge customer service area should there be an emergency.

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

Mr. Peugh reported that the Hammock Beach Resort was under their allowable water consumption capacity last month by approximately 255,000 gallons and also noted that staff will continue to monitor their usage with the addition of the takeout restaurant. The Board discussed the addition of 200 hotel rooms. Mr. DeMatteis asked if there is anything the District needs to do to service the addition, such as adding a new line. Mr. Peugh responded that he thinks the District has sufficient infrastructure and Daniel Baker believes the current paid capacities will suffice.

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

Mr. Peugh updated the Board on the Oasis, Beach Walk and Lennar Home developments. The District signed the FDEP permit to accept the water and wastewater for the Oasis development.

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 and are awaiting a response.

**Stormwater Utility / Reclaimed Flow Discussion**

In regard to the stormwater utility, Mr. Peugh informed the Board staff is working with CDM on the approach for the outside service area communities.

In regard to reclaimed flow, Mr. Peugh informed the Board the District generates a quarter of its reclaimed flow, and Palm Coast generates the remaining three quarters. The morning of the meeting, Palm Coast cut that in half as they're having problems with their centrifuge. Mr. Peugh

May 13, 2022

Dunes CDD

explained to the City that in order for the District to provide a new line, the City needs to commit to one million gallons, over what the current agreement provides for. For short term solutions there are a couple of options being considered; one being a north/south split for irrigation purposes. with automatic valves, so that they could be shut off automatically. Additionally installing a new line to the reject pond and finding a new well site are possible longer term solutions to the issue of sustainable reclaimed water supply. Mr. Peugh will begin adding costs for these items to the budget.

### **Discussion on Traffic Concerns**

Mr. Peugh presented the Board with a suggestion to remove two stop signs along Hammock Dunes Parkway, making the roadway a thoroughfare, which would seemingly eliminate most of the backup on the bridge looking at the statistics of how many vehicles are going straight, turning left, and turning right at the stop signs. The traffic engineers felt the level of service would dramatically improve off the bridge. The Board discussed how the change would be implemented, such as providing notice of the change via temporary message boards, removing a portion of sidewalk and possibly installing rumble strips. Mr. DeGovanni stated that he thought constructing additional lanes, and/or adding traffic signals would still be necessary in the future. Mr. DeMatteis stated that he felt it would be trading one problem for another. The Board's consensus was to not explore the option of removing the stop signs. He suggested adding funds for preparing engineering plans and specifications in the FY23 budget, to be used at a later date for construction of the intersection improvements at the current four-way stop. Mr. Vohs stated that he felt the first step would be to eliminate the loyalty cards, and then the cash toll rates can be increased to first determine how much that helps alleviate some traffic.

## **FIFTH ORDER OF BUSINESS**

### **Staff Reports**

#### **Attorney**

Mr. Chiumento informed the Board a suit has been filed against the entity that damaged an RO concentrate line. They will have 20 days to respond once they're served.

Mr. Chiumento also informed the Board he has been working with Mr. Peugh on a resolution regarding motorized bikes and vehicles on sidewalks. It's convoluted as the District does not have police powers to enforce and ticket people, so there's not much that can be done,

May 13, 2022

Dunes CDD

other than asking the local sheriff's department to do that policing. A resolution could, however, be adopted to codify what the District does and does not allow on sidewalks. It would be proposed that scooters and bikes would be allowed on sidewalks so long as they do not exceed 20mph. Anything that is subject to the disability act would be an exception to the rule, as would district employees, official emergency services, and law enforcement services.

### **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 of an emergency repair in Hammock Dunes that required a detour. He noted the contractor should be complete with the pump station repairs and detour removed by end of the day.

He also informed the Board a copy of the annual water quality report will be sent with the next water bills.

### **Manager**

#### **F. Bridge Report for April**

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

Vehicle trips were up approximately 6% and revenue was up approximately 7% from last year.

Staff is looking into tolling options such as SunPass and E-Transit and will present a proposal to the Board at a future meeting.

Lastly, Mr. Peugh reported there are 20,600 accounts, around 59,000 loyalty cards have been sold, there are about 9,300 website users and last month about \$5,500 worth of credit card transactions took place in the toll booth.

#### **G. Additional Budget Items Report**

Included in the additional budget items report is the emergency repair of the lift station that Mr. Ponitz referred to, which was just under \$65,000. Mr. Peugh informed the Board there was a catastrophic failure of the scrubber for the hydrogen sulfide. A replacement has been ordered and will cost approximately \$18,000. There is also an RO skid pump in need of repair at an

May 13, 2022

Dunes CDD

approximate cost of \$4,700. Lastly, a new treadle will need to be installed at the bridge at a cost of approximately \$40,000.

**SIXTH ORDER OF BUSINESS**

**Financial Reports**

**H. Balance Sheet & Income Statement**

**I. Assessment Receipts Schedule**

**J. 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 \$294,191.52.

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

**SEVENTH ORDER OF BUSINESS**

**Supervisors' Requests and Audience Comments**

**Supervisor Requests**

Mr. Crahan requested a printout of the registered voter list.

**Audience Comments**

Mr. Hamilton stated that he would follow up on the bike lane issue.

**EIGHTH ORDER OF BUSINESS**

**Next Meeting Scheduled for June 10, 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. Swinburn seconded by Mr. Crahan with all in favor the meeting was adjourned.

DocuSigned by:  
*Gregory Peugh*  
0E06F65913FC4D8...  
Secretary/Assistant Secretary

DocuSigned by:  
*George DeGiovanni*  
A452093CAG884GA...  
Chairman/Vice Chairman