

MINUTES OF MEETING
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, October 14, 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
Charles Swinburn	Assistant Secretary
Rich DeMatteis	Assistant Secretary
Dennis Vohs	Treasurer

Also present were:

Greg Peugh	District Manager
Darrin Mossing	District Representative
Michael Chiumento	District Counsel
Dave Ponitz	District Engineer

The following is a summary of the discussions and actions taken at the October 14, 2022 meeting.

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 September 9, 2022 Meeting

There being no comments on the minutes, a motion followed.

On MOTION by Mr. Vohs seconded by Mr. Swinburn with all in favor the minutes of the September 9, 2022 meeting were approved as presented.

THIRD ORDER OF BUSINESS

Audience Comments

There being one virtual audience member (Richard Hamilton) via Zoom present with no comment, the next item followed.

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FOURTH ORDER OF BUSINESS

Public Hearing for the Purpose of Adopting Toll Rates

Open Public Hearing

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

The member of the public present via Zoom had no comments.

B. Resolution 2023-01, Adopting a Rule Setting Forth Toll Rates for the Hammock Dunes Bridge

Mr. Peugh stated that the proposed changes are to increase one-way trip cash toll rates for all vehicles as follows: two axle vehicles will increase from \$2.00 to \$3.00, three axle vehicles will increase from \$3.00 to \$4.00, four axle vehicles will increase from \$3.50 to \$5.00 and five axle vehicles will increase from \$5.00 to \$6.00. The ExpressCard and decal discounts will remain the same.

On MOTION by Mr. Swinburn seconded by Mr. DeMatteis with all in favor Resolution 2023-01, adopting a rule setting forth toll rates for the Hammock Dunes bridge was approved.

Close Public Hearing

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

FIFTH ORDER OF BUSINESS

Reports and Discussion Items

C. Discussion Regarding Water and Sewer Capital Expenditures for the Last Five Years

Mr. Peugh went over the expenditures from the water and sewer fund going back to Fiscal Year 2017, noting the total spent over the five-year period was \$8,779,870.10.

D. Acceptance of the 2022 Public Facilities Report

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Mr. Peugh presented the public facilities report for 2022 noting the community is now 82% built out. Mr. Ponitz stated that there were close to 60 new units proposed this year, which is up substantially from previous years.

On MOTION by Mr. DeMatteis seconded by Mr. Vohs with all in favor the public facilities report was accepted.

Discussion on the Blue Heron Stormwater Pump Enclosure

Mr. Peugh informed the Board that there have been complaints from a homeowner located off Blue Heron Parkway regarding the noise and visual impacts of a portable pump utilized by the District from time to time located near a drainage control structure in the area. A vinyl fence would not be acceptable to the homeowner's association for screening purposes, so a concrete block enclosure with doors on the end to provide access for maintenance is being proposed. An easement agreement to construct the enclosure would also be needed. Mr. Peugh anticipates the total estimate for the project will be somewhere between \$20,000 and \$30,000. There were no objections from the Board on proceeding with the project. Mr. Peugh will bring a design and quotes back to the Board for their review.

Discussion of Toll Booth Project

Mr. Peugh informed the Board that the contractor for the toll booth project was provided a final change order reducing the liquidated damages by \$50,000. A response to the offer has not yet been received.

Discussion on Capacity Fee Issues for Commercial Accounts

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

Discussion on Stormwater Utility / Reclaimed Flow

Mr. Chiumento informed the Board that he met with the attorney for Flagler County regarding the interlocal agreement for stormwater charges for lands located outside of the Dunes CDD boundaries that drain to the District's stormwater facilities. A question of enforcement and

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liens has come up, so they are researching that and will get back to the District on what they are willing to do as far as enforcement.

Mr. Peugh informed the Board that homeowners adjacent to a pond located off Hammock Beach Circle indicated that it is not going down. The District has set up a stormwater pump to pump the pond down to inspect the pipes to determine why the discharge is blocked.

Mr. Peugh also informed the Board that he still has not received a response from the City of Palm Coast regarding the request for additional reclaimed flow.

Oasis / Beach Walk / Lennar Homes Development Update

Mr. Peugh reported the Oasis development appears to still be on hold; construction of homes is continuing for the Beach Walk development; and there are no further updates on the Lennar development.

SIXTH ORDER OF BUSINESS

Staff Reports

Attorney

Mr. Peugh informed the Board that a claim regarding an accident involving the toll bridge arm has been settled. He also reported that a bicyclist has claimed to have been injured after hitting a 16-inch by 3-inch piece of concrete in the area between the toll bridge and the four-way stop. A claim has been filed with the District's insurance provider.

E. Engineer - Report

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

Manager

F. Bridge Report for September

Mr. Peugh reported that for September, vehicle trips were down 4.5% and revenue was down 0.82% from last year. Total collections for the year were \$1.892 million. Tolls were suspended for about a week beginning September 28, 2022, due to Hurricane Ian. As far as damage due to the hurricane, Mr. Peugh noted the District fared pretty well with damage including a detached gutter and loss of power to two pump stations for a few days. He noted staff is looking into adding a secondary internet provider in the event one provider's service is down.

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Mr. Peugh also reported there are about 22,000 ExpressCard accounts, 43,000 loyalty accounts, and there were \$6,000 worth of credit card transactions in the booth. He noted he would provide the Board with a tally of closed ExpressCard and loyalty accounts at the next meeting.

Mr. Peugh stated that a sign board will be installed, and handouts will be provided to inform cash customers of the increase in the toll rates as of November 1, 2022 and the ability to purchase discount cards.

G. Additional Budget Items Report

Mr. Peugh noted there are no new budget items to report for Fiscal Year 2022. The District is awaiting completion of repairs to the generator as mentioned in the FY22 additional budget items report.

Mr. Peugh informed the Board that insurance was budgeted at \$293,000, however the quote came in closer to \$310,000. The additional \$16,000 is included in the additional budget items report for FY23. Mr. Peugh also noted he was made aware that property insurance will increase next year and that will be planned for accordingly in next year's budget.

Miscellaneous Items

Mr. Peugh provided the Board with a road paving schedule, noting paving of Jungle Hut and Hammock Dunes Parkway will begin Sunday night.

SEVENTH ORDER OF BUSINESS

Supervisors' Requests and Audience Comments

Mr. DeMatteis stated that someone mentioned that their pond was full of tilapia. Mr. Peugh stated that all of the ponds contain tilapia and they were not placed there by the District.

Mr. Swinburn asked if measures are now in place to ensure fish kills are avoided in the future. Mr. Peugh responded that staff has spoken to the aquatic maintenance contractor to ensure they do not spray heavily during overcast days.

EIGHTH ORDER OF BUSINESS

Financial Reports

H. Balance Sheet & Income Statement

I. Assessment Receipts Schedule

J. Approval of Check Register

A copy of the check register totaling \$640,259.42 was included in the agenda package.

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

NINTH ORDER OF BUSINESS

Next Scheduled Meeting: November 4, 2022 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. DeMatteis seconded by Mr. Vohs with all in favor the meeting was adjourned.

DocuSigned by:
Gregory Pugh
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Secretary/Assistant Secretary

DocuSigned by:
George DeGonanni
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Chairman/Vice Chairman