

**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 13, 2023, 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       |
| Dennis Vohs      | Treasurer           |
| Kevin Porter     | Assistant Secretary |

Also present were:

|                   |                         |
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| 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 13, 2023 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 8, 2023 Meeting**

There were no changes to the minutes.

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| On MOTION by Mr. Crahan seconded by Mr. Vohs with all in favor the minutes of the September 8, 2023 meeting were approved as presented. |
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**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 Stormwater Utility**

Mr. Chiumento updated the Board on the progress made with the County on the request to bill the stormwater utility fees to the Beach Walk community via the property tax bills, stating that the idea is to have everything east of A1A, north of Jungle Hut Road, south of 16<sup>th</sup> Road and west of Hammock Dunes Parkway in the District, however those developments that do not have St. Johns Water Management District permits will be exempt. The interlocal agreement also provides that they will not have to start paying until they have a Certificate of Occupancy for a new home. The agreement will be on the County's November 2<sup>nd</sup> agenda for consideration. After the interlocal agreement is in place, the next step is to implement the uniform method of collection that allows the county to put the assessments on the tax bills, which will not happen until next year.

Mr. Crahan asked how the District can alleviate any concerns that there will be added expenses in the future.

Mr. Peugh responded that this assessment is only for stormwater and if the District wanted to charge any more it would need to go through a process with the County and at the moment, there is no intention to do that.

Mr. Porter asked for clarification on what service the District is charging for.

Mr. Peugh responded that Beach Walk's stormwater system is connected to the District's, which it maintains.

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

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

Mr. Ponitz added that there were 13 accounts identified as being over their capacity allowance during the 2022 audit. Two accounts are the county, two have since been resolved, two need to provide final documentation on repairs made, and seven need some additional justification for the overage or they will be billed.

**Discussion on Bridge and Intersection**

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Mr. Peugh informed the Board that Purchase Orders have been issued for the design of the four-way stop improvements and for the toll system integration study to see if SunPass is feasible. Additionally, he noted he met with the county commissioners again to provide a presentation regarding the purpose for the tolls, which went well.

Mr. Vohs asked what impact the SunPass system would have on residents that currently use the card system.

Mr. Peugh responded that as he understands it, the Bridge Pass Discount program can stay in place.

### **Update on the Reclaimed Line Replacement**

Mr. Peugh informed the Board the final plans for the relocation of the reclaimed line are nearing completion and the current timeline is to advertise an RFP for the project at the beginning of November with the award to be made in January. It's anticipated the project would be complete at the end of next year.

Mr. Crahan asked about the impact on traffic and if the construction can be timed for periods of lessened traffic.

Mr. Peugh responded that he does not believe the project will impact traffic as it will not affect Hammock Dunes Parkway and most of it will involve directional drilling underneath the roads. He also noted that he does not want to hold the project up.

Mr. Porter asked to review the request for bids once it's available.

### **B. Public Facilities Report**

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

Mr. Crahan recommended including the lodge project in the projections.

Mr. Peugh stated that it would be added to a future report but noted he was not concerned with the total water consumption overall.

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| On MOTION by Mr. Vohs seconded by Mr. Crahan with all in favor the 2023 Public Facilities Report was accepted. |
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### **C. Acceptance of the Engagement Letter from Grau & Associates for the Fiscal Year 2023 Audit**

Mr. Peugh noted Grau & Associates was the audit firms selected during the RFP process and must be re-engaged each year.

On MOTION by Mr. Vohs seconded by Mr. Crahan with all in favor the engagement letter from Grau & Associates for the Fiscal Year 2023 audit was accepted.

## **FIFTH ORDER OF BUSINESS**

### **Staff Reports**

#### **Attorney**

Mr. Chiumento reported that his firm has been working with the County to get property at the four-way intersection, however he has recently been informed that public infrastructure and roadways are not permitted on the land due to conservation restrictions. The County is processing an application to change the plan designation and zoning to permit a roadway.

Mr. Peugh added that the property is not needed for the intersection expansion project but would make it easier.

The Board discussed the latest communication with the fencing contractor. Mr. DeGiovanni suggested calling the Sheriff's Office to inform them of the issue.

Mr. Peugh informed the Board that the payment has been made by European Village.

#### **E. Engineer - Report**

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

#### **Manager**

##### **E. Bridge Report for September**

Mr. Peugh reported that vehicle trips were up about 7%, and revenue was up approximately 17% from August of last year. The projection for Fiscal Year 2023 was \$2.1 million and the actual total came to \$2.2 million. He also reported that all of the loyalty cards have now been closed with a total of 62,000 sold during the program.

Additionally, Mr. Peugh reported the following:

- ☐ Number of accounts / web users - 26,417 express card accounts and 13,630 web users.

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- ☐ Credit card transactions in the toll booths totaled approximately \$7,300.
- ☐ Approximately 353 new accounts were added this last month.

### **Miscellaneous Items**

The Board provided feedback on a draft flyer Mr. Peugh created to send to residents to inform them of projects the District has completed or has planned for the future.

At the last meeting a resident commented on possible silting issues affecting the lakes. Mr. Peugh stated that the area was inspected, and it was found that the roadway bank is eroding at the entrance to Island Estates. The District's pipe is not causing the erosion.

Next, Mr. Peugh stated that he spoke to a resident in Island Estates who is open to the District using his property for full-flow flushes of the reclaimed line, however he is asking for payment in return. Mr. Peugh suggested upgrading the system by installing SCADA on the pump stations to allow for automatic flushing, which is estimated to cost \$15,000 per pump station with approximately six stations needing SCADA to begin with, as an alternative solution. There were no objections from the Board on moving forward with the SCADA project pending cost estimates.

At the last meeting, Mr. Crahan asked about the rating on the bridge deck in the bridge inspection report going from good to satisfactory. Mr. Peugh provided an update stating that DOT has begun grading more stringently. The bridge deck has not deteriorated at a significant rate.

Lastly, Mr. Peugh informed the Board that PSN was using Silicon Valley Bank as a depository and that has since been changed. He is seeking a new processing vendor for the payment system because the interface is not as good as it could be.

Mr. Crahan asked for an update on Raymond James.

Mr. Peugh responded that the system with the State Board of Administration was better, however it still works and last month the District received 5% interest. He added that he does not yet want to move the water and sewer funds at this point. At least half of the bridge account can be moved, however. He will discuss it with Raymond James and present a plan to the Board at a future meeting.

### **F. Additional Budget Items Report**

Included on the additional budget items report is the digester on the reclaimed pump station in the amount of \$32,741.79.

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Mr. Porter asked if a lightning strike on the reclaimed pump station is an insurable risk.

Mr. Peugh stated that he would look into it.

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

There being none, the next item followed.

**SEVENTH ORDER OF BUSINESS****Financial Reports****G. Balance Sheet & Income Statement****H. Assessment Receipts Summary****I. Approval of Check Register**

A copy of the check register totaling \$299,771.88 was included in the agenda package.

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

**EIGHTH ORDER OF BUSINESS**

**Next Scheduled Meeting: November 3, 2023 at  
9:30 a.m. at the Dunes Administrative Office,  
101 Jungle Hut Road, Palm Coast, Florida**

**NINTH ORDER OF BUSINESS****Adjournment**

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

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Secretary/Assistant Secretary

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Chairman/Vice Chairman