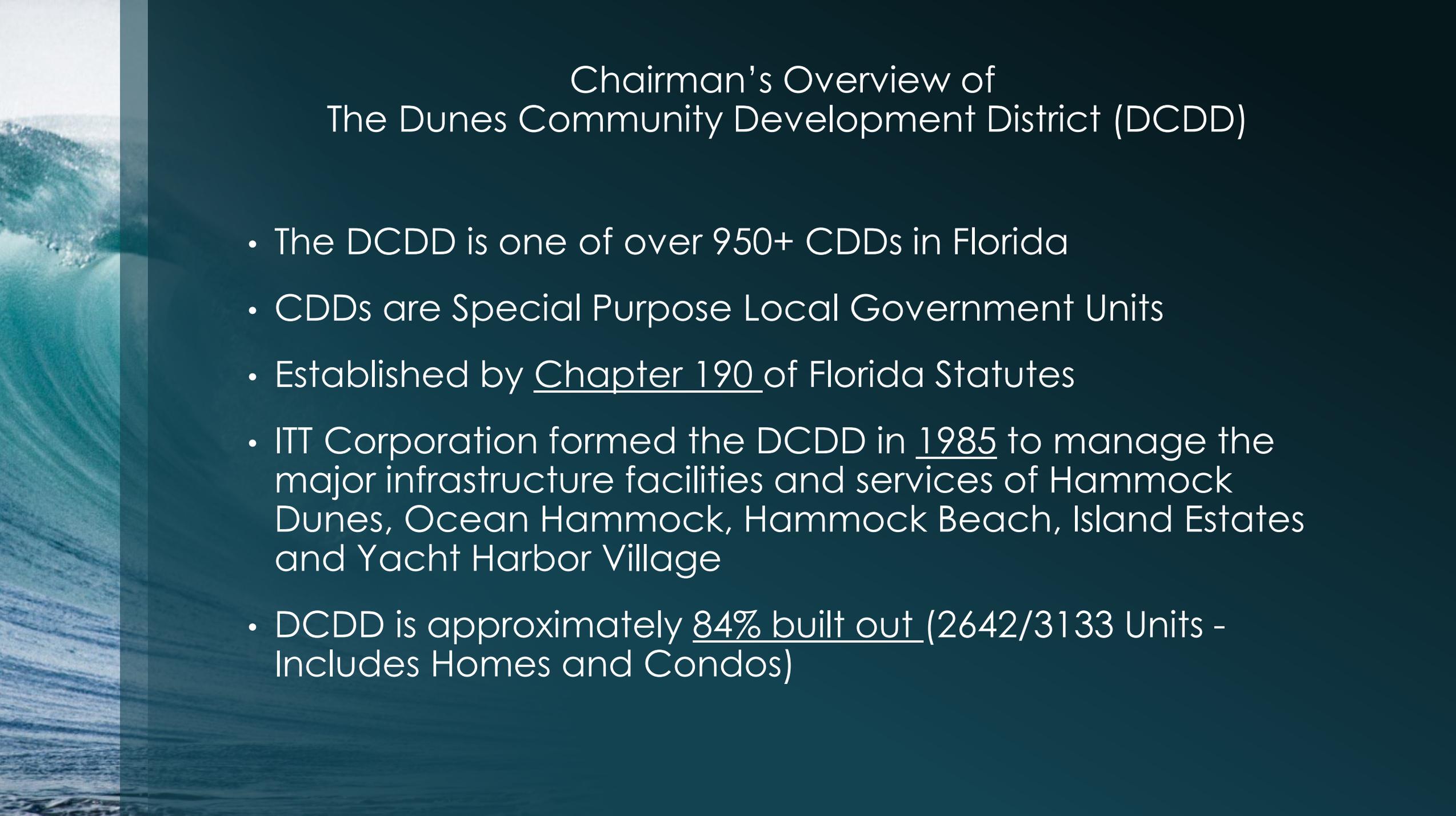




THE DUNES COMMUNITY DEVELOPMENT DISTRICT (DCDD)

- OVERVIEW
By Gary Crahan
DCDD Board Chairman
- OPERATIONS & MAINTENANCE
By Greg Peugh
DCDD District Manager



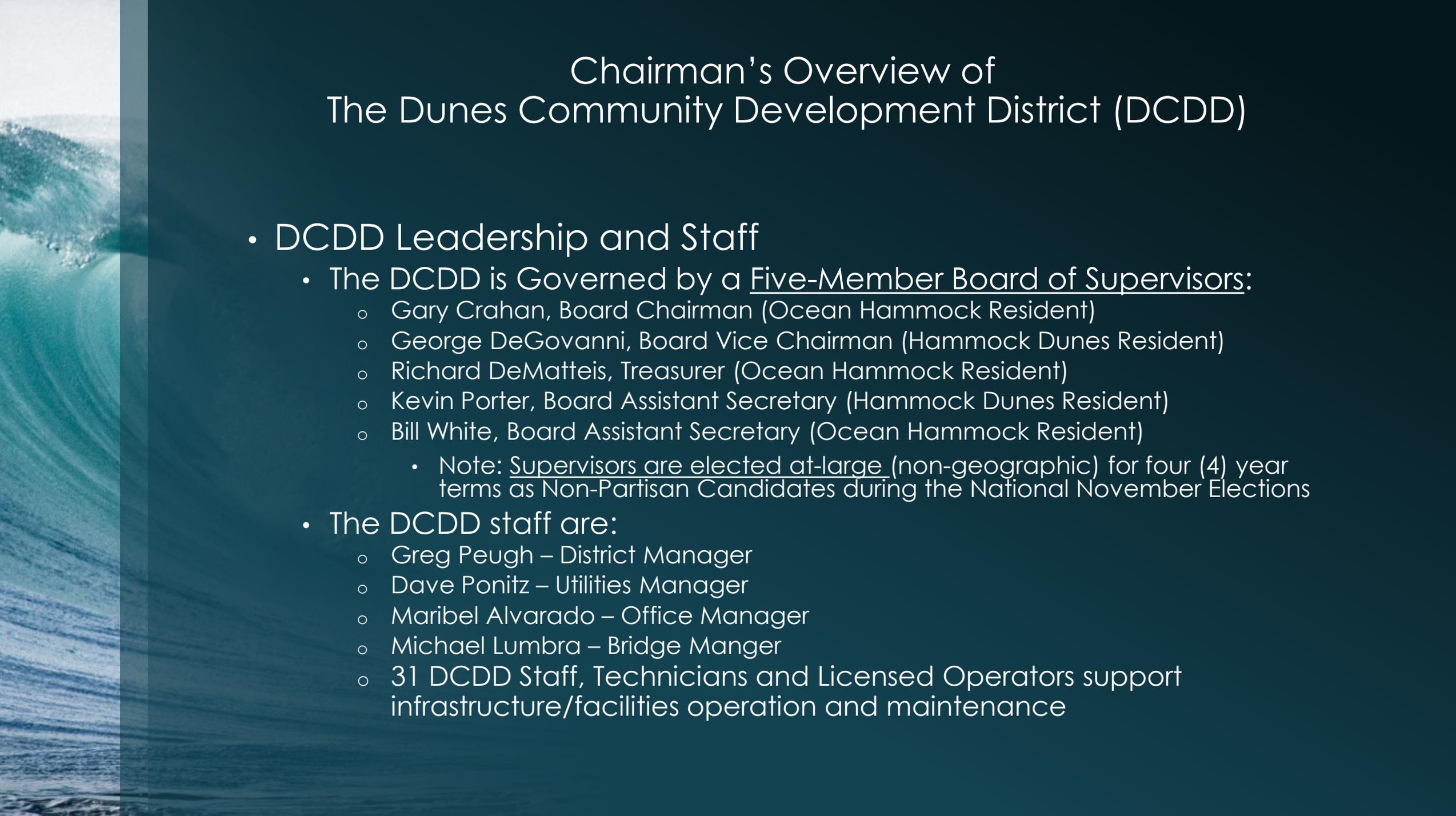
Chairman's Overview of The Dunes Community Development District (DCDD)

- The DCDD is one of over 950+ CDDs in Florida
- CDDs are Special Purpose Local Government Units
- Established by Chapter 190 of Florida Statutes
- ITT Corporation formed the DCDD in 1985 to manage the major infrastructure facilities and services of Hammock Dunes, Ocean Hammock, Hammock Beach, Island Estates and Yacht Harbor Village
- DCDD is approximately 84% built out (2642/3133 Units - Includes Homes and Condos)



Chairman's Overview of The Dunes Community Development District (DCDD)

- DCDD Major Infrastructure Facilities are:
 - Utility Facilities
 - Potable Water Plant with three (3) Deep Supply Wells
 - Wastewater Collection System and Wastewater Plant
 - Reuse Treatment and Distribution System
 - Stormwater Facilities
 - Stormwater Lakes, as well as the Collection and Conveyance System
 - Transferred to the DCDD for the HOA' around 2000 to reduce the tax burden
 - Transportation Facilities
 - Hammock Dunes Toll Bridge
 - Hammock Dunes Parkway
 - Camino Del Mar A1A Connector Road



Chairman's Overview of The Dunes Community Development District (DCDD)

- DCDD Leadership and Staff
 - The DCDD is Governed by a Five-Member Board of Supervisors:
 - Gary Crahan, Board Chairman (Ocean Hammock Resident)
 - George DeGovanni, Board Vice Chairman (Hammock Dunes Resident)
 - Richard DeMatteis, Treasurer (Ocean Hammock Resident)
 - Kevin Porter, Board Assistant Secretary (Hammock Dunes Resident)
 - Bill White, Board Assistant Secretary (Ocean Hammock Resident)
 - Note: Supervisors are elected at-large (non-geographic) for four (4) year terms as Non-Partisan Candidates during the National November Elections
 - The DCDD staff are:
 - Greg Peugh – District Manager
 - Dave Ponitz – Utilities Manager
 - Maribel Alvarado – Office Manager
 - Michael Lumbra – Bridge Manger
 - 31 DCDD Staff, Technicians and Licensed Operators support infrastructure/facilities operation and maintenance



DCDD FUNCTIONS – WHAT DOES THE DCDD DO?

By Greg Peugh
DCDD District Manager

DCDD HAS THREE MAJOR FUNCTIONS

- Operate and Maintain a Utility System that serves approximately 5,000 people
- Operate and Maintain the Stormwater System
- Operate and Maintain the Transportation Infrastructure which includes the Toll Bridge, Hammock Dunes Parkway and the Camino Del Mar Connector Road



DCDD FINANCIAL HEALTH AND ASSET INVESTMENTS

- DCDD is Debt Free with Segregated Financial Funds to ensure routine inspections, maintenance and emergency repairs
- Our 38-Year-Old Toll Bridge is in excellent condition and inspected every 2 years per FDOT requirement
- Invested \$1.8M in Bridge and Toll Facility projects in the last 5 years to ensure Bridge future longevity and efficient Toll operations and security
- Invested \$8.7M upgrading the Water, Wastewater and Reclaimed Water Infrastructure in the last 6 years to add capacity and improve our emergency readiness
- Created a dedicated Stormwater Enterprise Fund to maintain our aging System



What are the MAJOR COMPONENTS of the Utility System?

- Potable Water (Drinking Water)
- Wastewater
- Reclaimed Water (Irrigation)

Note: Utility Employs 16 Full Time Employees
(11 Field/5 Office)



Reverse Osmosis Membranes

DCDD UTILITY FACILITIES – Potable Wells

- Three supply wells that deliver 885,000 gpd each
- Combined pumping capacity of 2,657,000 gpd
- Over 300' deep into the Upper



Brackish Well

DCDD UTILITY FACILITIES – Water Plant

- Reverse Osmosis Water Plant Built in 2007
- Water Plant has a capacity of 1,440,000 gpd
- Currently Average 536,000 gpd (37%)



Reverse Osmosis Membranes

DCDD UTILITY FACILITIES – Storage Tank



Potable Water Treatment Plant

DCDD UTILITY FACILITIES – Water Distribution

- 150,000 linear feet of various sized pipes ranging from 2 to 16-inches in diameter
- 253 Hydrants



Fire Hydrant



Water Distribution Pumps

DCDD UTILITY FACILITIES – Wastewater Collection

- 114,000 linear feet of gravity sewer with pipes ranging from 8 to 12-inches in diameter
- 617 Manholes
- 47,000 linear feet of force mains ranging from 3 to 12 inches in diameter



Typical Manhole Cover

DCDD UTILITY FACILITIES – Pump Stations

- 23 Pump Stations
- 7 Have Diesel Backup Pumps (New)
- Recently rehabbed 2



Pump Stations

DCDD UTILITY FACILITIES – Wastewater Treatment Plant

- Sequencing Batch Reactor (SBR) Wastewater Treatment Plant
- Wastewater Treatment Plant has a capacity of 920,000 gpd
- Currently Average 439,000 gpd (48%)



DCDD UTILITY FACILITIES – Reclaimed Water Production

- Produce Reclaimed to Irrigate Residential Yards, Ocean Hammock & HD Golf Courses
- Distribute more Reclaimed Water than we produce from our WWTP (2,200,000 vs 440,000)
- Supplement the Reclaimed Water by buying Reclaimed Water from Palm Coast (1.49 MGD)

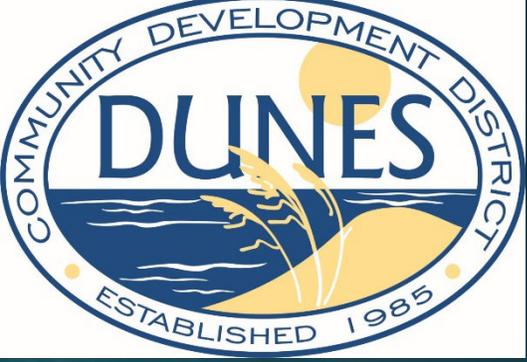


Reclaimed Pump Station and 18 Million Gallons of Reclaimed Ponds

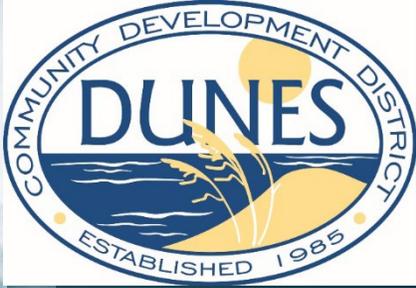
DCDD UTILITY FACILITIES – Reclaimed Water Production

- Operate and Maintain the Reclaimed Water Distribution System
- 125,000 linear feet of pipe ranging in size from 2 to 16 inches in diameter
- DCDD can produce approximately 3,200,000 gpd of Reclaimed Water





UTILITY BUSINESS MANAGEMENT



DCDD WATER AND WASTEWATER RATES

2025 MONTHLY RESIDENTIAL WATER AND WASTEWATER BILL COMPARISON AT 4,000 GALLONS (TYPICAL RESIDENTIAL BILL)





DCDD WATER AND WASTEWATER RATES

- The Wastewater Plant was established in 1985 – Utility system is 40 Years Old
- Other than in its first years, rates have not been raised from 2000 until 2024
- In fact, the rates decreased in 2009 and 2016
- Operating revenue and expense changes over the last 10 years:
 - CPI change over the last 4 years: 2021 7.0%, 2022 6.5%, 2023 3.4%, 2024 2.9%
 - DCDD water rates are currently the lowest in the immediate region, except for Ormond Beach, which are comparable
 - The utility has expended capital dollars of \$7.7M over the last 5 years, \$2.1m in 2024, plan of \$1.7M in 2025 and
 - \$3.7M at a minimum in the next 5 years.



DCDD WATER AND WASTEWATER RATES

- Rate Study was completed in 2024
- 15 different rate increase options were initially evaluated prior to establishing the 9.5% water and sewer rate increase.
- Additionally 6 different reclaimed rate increase options were analyzed to establish the revised reclaimed tier rates.

RATE STUDY

Scenario 2.b. (Split Reclaimed Tiers Increase Across 2025 and 2026 w/out 9.5% increase after)

Water and Sewer Base and Tier Rates Increase 9.5% per year from 2025 - 2029 and 4% per year from 2030 - 2034 (assumed inflation)
 Reclaimed Base Increases 9.5% per year from 2025 - 2029 and 4% per year from 2030 - 2034 (assumed inflation)
 Split across 2025 and 2026 the Reclaimed Tier Rates increase to: Tier 1 = \$2, Tier 2 = \$3 and Tier 3 = \$4
 Reclaimed Tier rates 0% increase from 2026 - 2029, 4% from 2030 to 2034 (assumed inflation)
 Additional \$900K CAPEX in 2025 and \$600K CAPEX in 2026
 Debt Financing for CAPEX 2025 - 2034

Revenue, OPEX, CAPEX	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Months of OPEX Reserve	11.0	4.5	1.5	2.6	2.8	3.7	6.2	6.6	4.6	4.9	2.8
Starting Fund Balance	\$5,998	\$3,973	\$1,990	\$1,642	\$2,081	\$2,437	\$17,842	\$9,305	\$3,884	\$7,475	\$3,119
OPEX Reserves	\$3,319	\$1,449	\$488	\$939	\$1,064	\$1,453	\$3,090	\$3,055	\$2,620	\$2,993	\$1,797
Operating Revenue	\$3,581	\$4,302	\$5,054	\$5,406	\$5,795	\$6,223	\$6,505	\$6,798	\$7,205	\$7,426	\$7,727
Operating Expense (OPEX)	\$3,612	\$4,846	\$3,985	\$4,350	\$4,507	\$4,869	\$6,025	\$6,654	\$6,835	\$7,385	\$7,579
Capital Expense (CAPEX)	\$679	\$1,924	\$1,502	\$702	\$1,017	\$984	\$14,752	\$5,651	\$1,265	\$4,482	\$1,323
Other Revenue (Expense)	\$85	\$85	\$85	\$85	\$85	\$14,835	\$5,735	\$85	\$4,585	\$85	\$85
Ending Fund Balance	\$3,373	\$1,990	\$1,642	\$2,081	\$2,437	\$17,842	\$9,305	\$3,884	\$7,475	\$3,119	\$2,029
REVENUE-OPEX Surplus (Shortfall)	(\$2)	\$456	\$1,069	\$1,056	\$1,289	\$1,554	\$480	\$144	\$271	\$41	\$148
Debt Proceeds (Included in Other)	0	0	0	0	0	\$4,750	\$650	0	\$500	0	0
Debt Service (Included in OPEX)	\$0	\$0	\$0	\$0	\$0	\$0	\$1,187	\$1,642	\$3,642	\$2,004	\$2,004
Cumulative Debt Balance	\$0	\$0	\$0	\$0	\$0	\$14,750	\$18,952	\$19,311	\$23,137	\$22,292	\$21,404

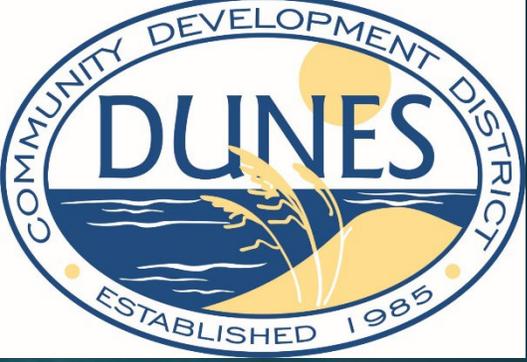


Typical Monthly Bill	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total Small Lot Bill	\$96.79	\$120.09	\$144.04	\$152.31	\$161.38	\$171.27	\$178.12	\$185.25	\$192.66	\$200.37	\$208.38
Total Small Lot Bill YOY % Change		24.1%	19.9%	5.7%	5.9%	6.1%	4.0%	4.0%	4.0%	4.0%	4.0%
Total Medium Lot Bill	\$95.89	\$121.89	\$148.54	\$156.81	\$165.86	\$175.77	\$182.80	\$190.12	\$197.72	\$205.63	\$213.86
Total Medium Lot Bill YOY % Change		27.1%	21.9%	5.6%	5.8%	6.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Total Large Lot Bill	\$122.19	\$168.29	\$215.04	\$223.31	\$232.36	\$243.37	\$251.96	\$262.04	\$272.53	\$283.43	\$294.76
Total Large Lot Bill YOY % Change		37.7%	27.8%	3.8%	4.1%	4.3%	4.0%	4.0%	4.0%	4.0%	4.0%



Reclaimed Rates	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Reclaimed Base	\$17.33	\$18.98	\$20.78	\$22.75	\$24.91	\$27.28	\$29.97	\$29.51	\$30.69	\$31.92	\$33.19
Tier 1	\$0.80	\$1.40	\$2.00	\$2.00	\$2.00	\$2.00	\$2.08	\$2.16	\$2.25	\$2.34	\$2.43
Tier 2	\$1.00	\$2.00	\$3.00	\$3.00	\$3.00	\$3.00	\$3.12	\$3.24	\$3.37	\$3.51	\$3.65
Tier 3	\$2.00	\$3.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87

Color Key:
 OPEX Months Reserves: < 3 months (red), 3 to 6 months (green), > 6 months (blue)
 Debt Proceeds: > 0 (yellow)



TRANSPORTATION FACILITIES

DCDD TRANSPORTATION FACILITIES – Toll Bridge

- Own and Maintain the Toll Bridge
 - Toll Bridge opened 1988
 - Collect Tolls 24/7
 - Employ 8 FT/ 13 PT



DCDD TRANSPORTATION FACILITIES – Toll Bridge

- Tolls are used for Bridge and Roadway Maintenance
- Every 2 Years the Toll Bridge is Inspected (Required by FDOT)
- Identified over \$30M in estimated improvements for the Bridge and Roadways in the next 50 years



DCDD TRANSPORTATION FACILITIES – Parkways

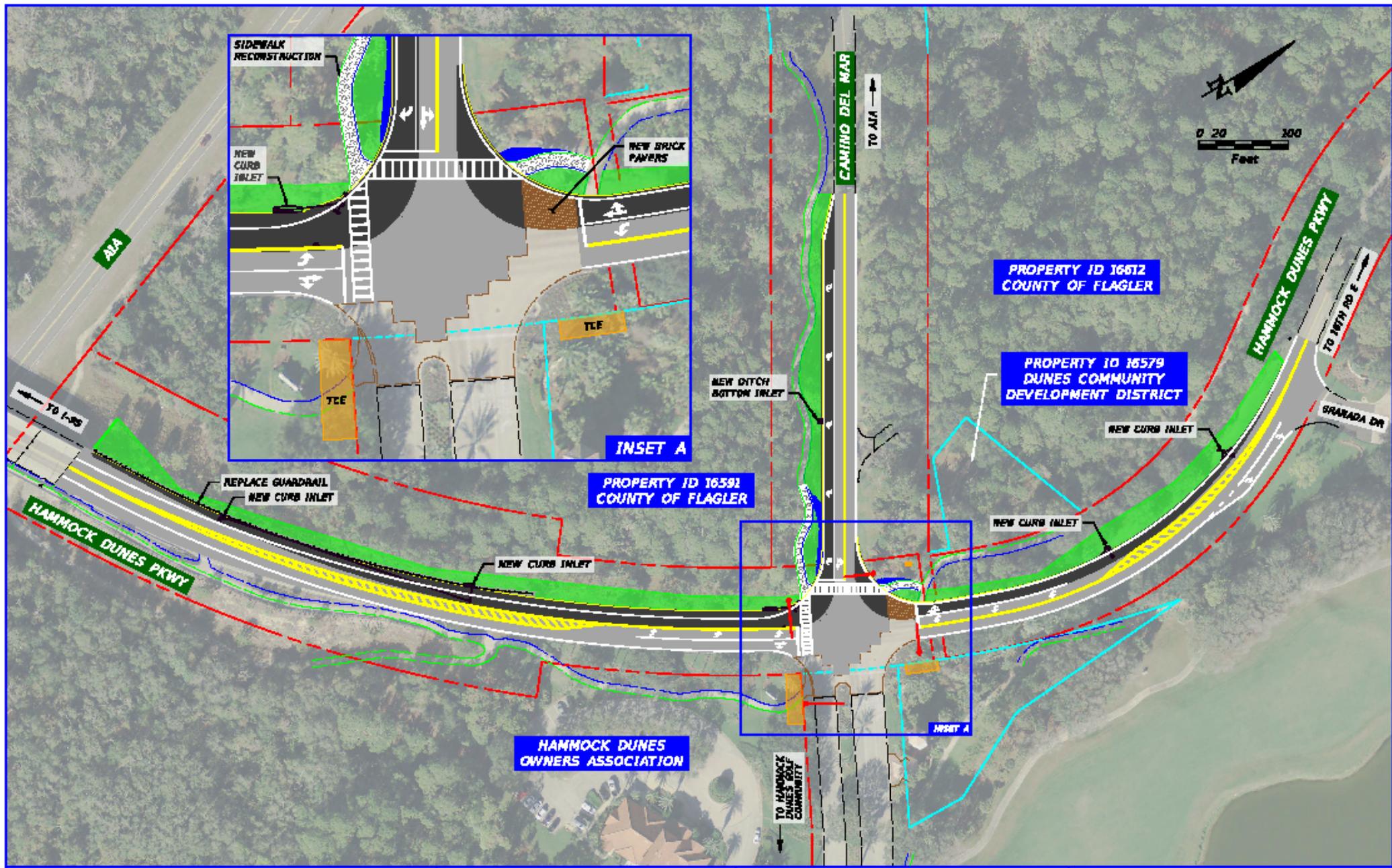
- No Tax Money is collected to maintain the bridge and parkways, only Tolls
- Maintain the sidewalks
- Maintain the streetlights



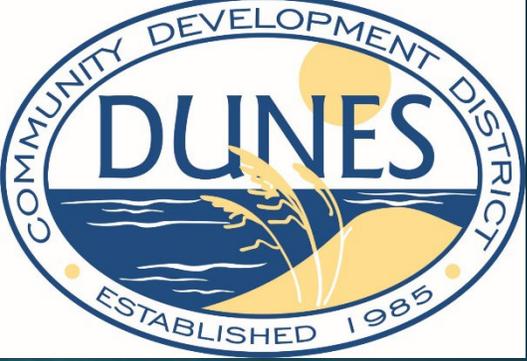
DCDD TRANSPORTATION FACILITIES – Parkways

- Maintain the Tree Canopy





PROJECT CONTACTS		PROJECT DESCRIPTION	LEGEND	
OWNER REPRESENTATIVE Gregory L. Paugh, P.E. 101 Jungle Hat Road Palm Bay, FL 32909 Tel: (888) 443-6643 gpaugh@bkurramcd.com	OWNER ASSOCIATION PM Klinger Carrico & Associates Corp. 301 N. Franklin Street, Suite 400 Tampa, Florida 33603	When Hammock Dunes Pkwy on the West side to accommodate a Northbound left turn lane and Southbound left turn lane. When Camino Del Mar on the South side to accommodate an Eastbound right turn lane.	DUNES COMMUNITY DEVELOPMENT DISTRICT HAMMOCK DUNES PKWY AT CAMINO DEL MAR INTERSECTION IMPROVEMENTS	EXISTING ROW PROPERTY LINE MILLING & RESURFACING NEW CONSTRUCTION NEW SIDEWALK SIDEWALK RENOVAL TEMPORARY STAGING AREA EARTHWORK/LANDSCAPING

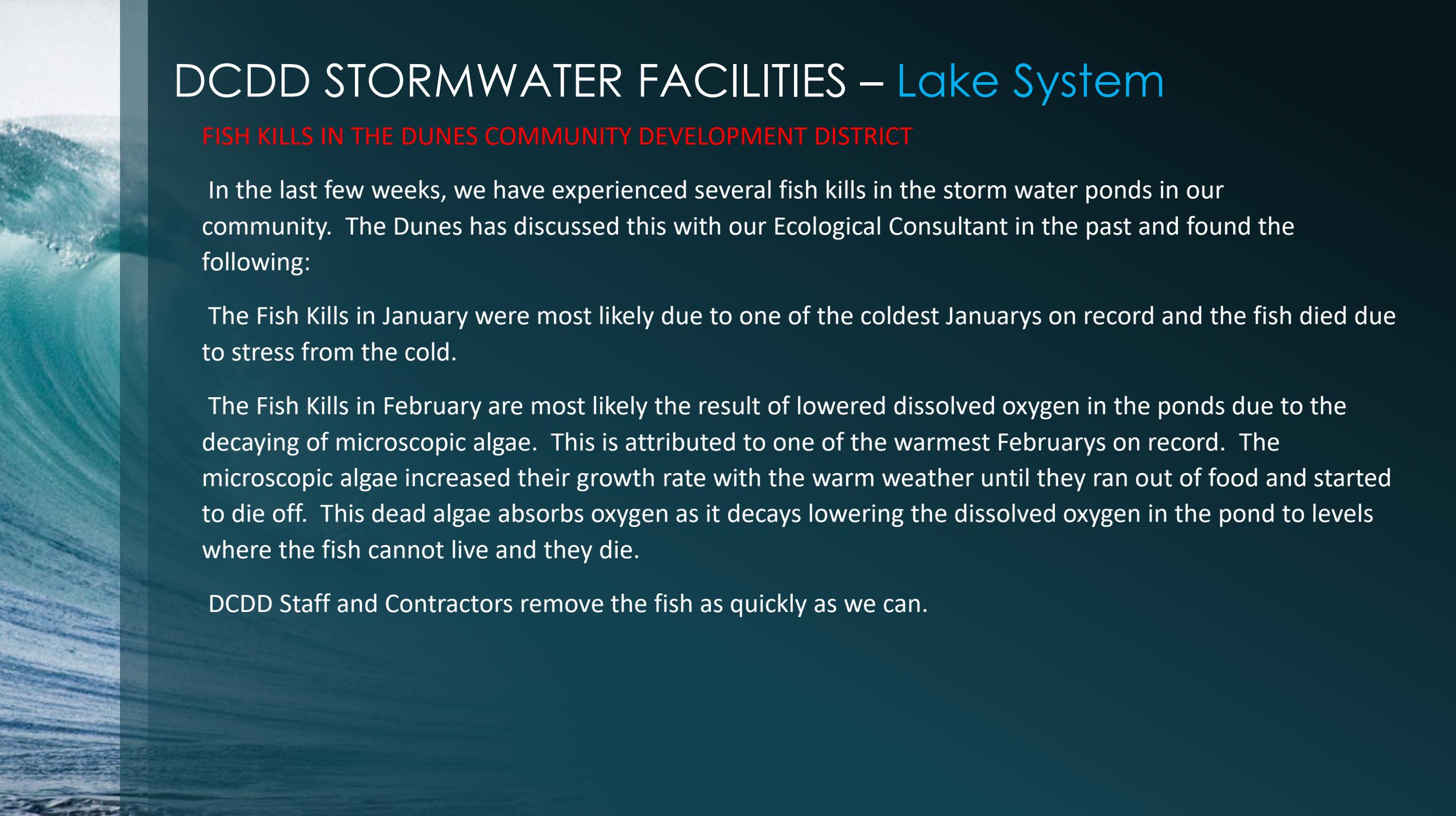


STORMWATER FACILITIES

DCDD STORMWATER FACILITIES – Lake System

- 179 acres of created lakes
- Over 19 miles of pipes
- Operate and maintain the Collection and Discharge System to minimize flooding
- Maintain over 2,500 structures (catch basins, inlets, outfalls and water control features)
- Spray the Lakes for nuisance aquatic weeds





DCDD STORMWATER FACILITIES – Lake System

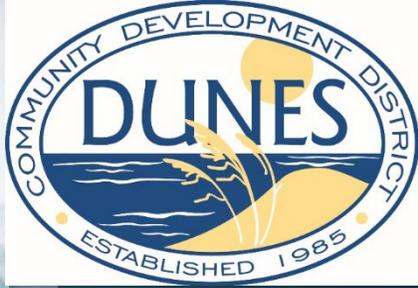
FISH KILLS IN THE DUNES COMMUNITY DEVELOPMENT DISTRICT

In the last few weeks, we have experienced several fish kills in the storm water ponds in our community. The Dunes has discussed this with our Ecological Consultant in the past and found the following:

The Fish Kills in January were most likely due to one of the coldest Januarys on record and the fish died due to stress from the cold.

The Fish Kills in February are most likely the result of lowered dissolved oxygen in the ponds due to the decaying of microscopic algae. This is attributed to one of the warmest Februarys on record. The microscopic algae increased their growth rate with the warm weather until they ran out of food and started to die off. This dead algae absorbs oxygen as it decays lowering the dissolved oxygen in the pond to levels where the fish cannot live and they die.

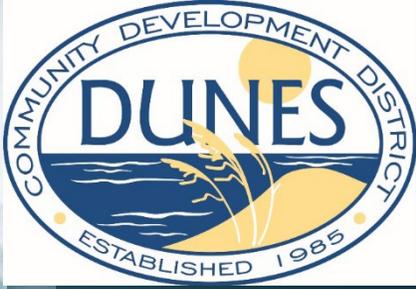
DCDD Staff and Contractors remove the fish as quickly as we can.



IN SUMMARY

What has the DCDD done for you lately?

- ✓ Relocated a 12" Reclaimed main destroyed by Hurricane Nicole (\$1.5M project – 87.5% funded by State and Federal Dollars)
- ✓ Upgraded the Wastewater Treatment Plant from 500,000 gpd to 710,000 gpd in 2019 for \$6.4M
- ✓ Rerated the WWTP via Study in 2021 from 710,000 gpd to 920,000 gpd for \$40,000 saving over \$1.6M in construction costs
- ✓ Replaced the oldest Reverse Osmosis Membranes in the Water Plant in 2021
- ✓ Installed 7 diesel powered backup pumps in the wastewater collection system for emergency preparedness/storm hardening
- ✓ Implemented a Stormwater Utility
- ✓ Implemented a GIS system with the Stormwater utility



What has the DCDD done for you lately?

- ❖ Continued:
- ✓ Resurfaced Hammock Dunes Parkway and Camino Del Mar in 2022 for \$873,000
- ✓ Completed Toll Plaza Improvements in 2022 for \$925,000
- ✓ Completed the Bi-Annual Bridge Inspection in 2023 for \$27,000
- ✓ 2022 Bridge Repairs for \$824,000 including Cathodic Protection of the Piers
- ✓ Installed Credit Card Machines in Toll Booths as an alternative to cash to increase revenue capture for \$38,000
- ✓ Evaluated the cost and benefits of integrating into a “SunPass” toll collection



Proposed Projects

- Clean and Video Stormwater Conveyance System
- Clean and Video Wastewater Collection System
- Splitting the Hammock Dunes/Ocean Hammock Reclaimed Distribution System
- Increasing Reclaimed Water Flow from Palm Coast



QUESTIONS?

CONTACT INFORMATION:
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