

MINUTES OF MEETING  
DUNES COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Dunes Community Development District was held Friday, March 13, 2026, at 9:30 a.m. at the Dunes Administrative Office, 101 Jungle Hut Road, Palm Coast, Florida.

Present and constituting a quorum were:

Gary Crahan	Chairman
George DeGovanni	Vice Chairman
Kevin Porter	Assistant Secretary
Bill White	Assistant Secretary
Rich DeMatteis	Treasurer

Also present were:

Greg Peugh	District Manager
Darrin Mossing	District Representative
Daniel Harvey	District Representative
Michael Chiumento	District Counsel
Mike Holzem	Raymond James

The following is a summary of the discussions and actions taken at the March 13, 2026 meeting.

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Mossing called the meeting to order at 9:30 a.m.

**SECOND ORDER OF BUSINESS**

**Approval of Minutes**

**A. February 13, 2026 Meeting**

Mr. Crahan and Mr. White provided corrections to the minutes.

On MOTION by Mr. DeGovanni seconded by Mr. Porter with all in favor the February 13, 2026 meeting minutes were approved as revised.
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**THIRD ORDER OF BUSINESS**

**Audience Comments**

There being none, the next item followed.

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**FOURTH ORDER OF BUSINESS                      Reports and Discussion Items****Discussion of Investments**

Mr. Holzem reported that the current interest rate for the Enhanced Savings Program being used for bridge and water funds is 3.25%. There are two CDs that are coming due in June, one in July, one in August, three in September and five or six in November.

The Board's consensus was to move the funds in the CD's coming due in June to a money market account with a 3.7% rate and to leave the remaining CD's as-is pending a review of the Cash Flow Analysis from the RO Pump and SunPass projects.

**Old Business**

- Mr. Crahan requested staff review arborist findings for Hammock Dunes Parkway tree conditions.
  - No additional distressed trees have been found since the previous meeting. The Spanish moss is in the process of being removed. Mr. Peugh is still awaiting a quote for fertilizing the trees.
- Mr. Peugh was asked to clarify when any rate or assessment changes need to be finalized.
  - Final amounts will need to be determined at the July meeting.
- Mr. Crahan requested evaluation of the rate for the European Village license agreement for future years.
  - The Board discussed the current rate and asked Mr. Peugh to get a target date for when the European Village needs to know of any rate increases for their budgeting purposes. Mr. Peugh was also asked to remind European Village of the requirement to submit proof of insurance.
- Mr. DeMatteis requested seasonal adjustment for Fiscal Year 2026 total revenue projection as opposed to current straight-line method.
  - This was done.
- Mr. DeMatteis requested GMS review the accrual for the intersection project that was paid this fiscal year.
  - It was confirmed the work was completed in the current fiscal year.

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- It was requested that a Sheriff's Officer be posted during a bicycle race.
  - An officer will be posted at the intersection of Hammock Dunes Pkwy. and Camino del Mar during the first part of the race.

#### **Discussion of the Golf Tournament at Hammock Beach**

A meeting was held to determine the best emergency response plan during the golf tournament. It was asked if the District would dedicate a toll lane for the buses running throughout the tournament. Mr. Peugh explained that would be difficult, however, he recommended they get prepaid toll stickers for the buses prior to the event and noted if traffic starts to back up at the toll plaza, traffic will be moved through quicker.

#### **Discussion of Stormwater Utility**

Mr. Peugh reported the canals in the vicinity of Malacompra Road have been cleaned by the County. The County stated that an easement would be required from one of the property owners bordering the western ditch on Ocean Oaks Lane in order to complete the ditch cleaning. This easement will be needed before the County's next cleaning cycle.

#### **Discussion of Bridge Accident Mediation**

Mr. Peugh reported the motion for summary judgment was dismissed and a trial is scheduled for May.

#### **Discussion of Bridge / Intersection**

Mr. Peugh reported the intersection project was complete and the close out process would be finalized shortly. Next, Mr. Peugh reported speed week traffic was down a bit from the previous year and bike week traffic was up slightly. No backups have been observed.

#### **Discussion of All-Electronic Toll**

Mr. Peugh reported the engineering design portion of the conversion to an all-electronic toll system is quoted to be \$741,000 and the construction engineering and inspection portion would be \$470,000. He is awaiting information from Kissinger Campo as to why the quotes were higher than anticipated and the updated AET Plan.

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**Acceptance of the Audit Committee’s Recommendation and Authorizing Staff to Issue a Request for Proposals for Audit Services**

On MOTION by Mr. DeGiovanni seconded by Mr. DeMatteis with all in favor accepting the audit committee’s recommendation and authorizing staff to issue a request for proposals for audit services was approved.

**Discussion of European Village Rate**

This item was discussed under Old Business.

**B. Consideration of Resolution 2026-02, Adopting the Flagler County Local Mitigation Strategy Plan**

Mr. Peugh stated that the District has submitted to the local mitigation strategy committee for a grant to upgrade lift station Seven by installing SCADA and new panels and redoing the piping and pumps. This resolution is a requirement of the county to accompany project applications for funding consideration.

On MOTION by Mr. Porter seconded by Mr. DeGiovanni with all in favor Resolution 2026-02, adopting the Flagler County Local Mitigation Strategy Plan, was approved.

Mr. Crahan asked about the possibility of obtaining grants for cleaning the stormwater pipes.

Mr. Porter stated that a maintenance plan needs to be put in place for the stormwater system.

Mr. Peugh stated that a contractor needs to come in and clean and TV the pipes, which he is planning on doing, however other projects have been prioritized ahead of this project thus far.

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**FIFTH ORDER OF BUSINESS****Staff Reports****Attorney**

Mr. Chiumento reported that he was working on finalizing the continuing services engineering contracts following the request for qualifications. He and Mr. Peugh were also working on getting meetings scheduled with state representatives to discuss available infrastructure funding opportunities.

**B. Engineer's Report**

A copy of the engineer's report was included in the agenda package for the Board's review. Mr. Peugh noted a check for approximately \$10,000 was received for reimbursement of Category Z in-house administrative expenses associated with Hurricane Nicole. He also reported he had conducted interviews for the Utility Manager position.

**Manager****D. Bridge Report**

Mr. Peugh reported the following data:

- Vehicle trips were down about 3%, and revenue was down 3.87% from February of 2025.
- There are 29,471 accounts.
- There are 18,330 web users.
- There were \$28,454 in credit card transactions.
- There were 299 new bridge pass accounts added.

**Miscellaneous Items**

Mr. Peugh reported 30 residential over capacity letters were sent out. The community was nearing emergency irrigation watering restrictions, so a water conservation notice was scheduled to be sent the following week barring a substantial amount of rain. Lastly, it was reported the reuse transmission main from Palm Coast would be modeled and tested for any clogs. They have been made aware a larger pump is desired.

**E. Additional Budget Items Report**

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Included on the additional budget items report were the temporary fencing at the European Village totaling \$6,400, water treatment plant repairs and painting totaling \$20,233 and \$13,050, and a 10-year warranty for the new portable generator totaling \$3,580.

**Reminder of Upcoming General Election**

The qualifying period for the seats up for election in November is June 8<sup>th</sup> through June 12<sup>th</sup>.

**SIXTH ORDER OF BUSINESS**

**Supervisors’ Requests and Audience Comments**

There being none, the next item followed.

**Follow Up-Items**

1. The Board asked how the Florida PRIME yield rate correlated to the Federal Reserve Interest Rate. Answer: The Florida PRIME yield rate closely follows the Federal Reserve rate as it has to offer a competitive yield rates to governmental investors.
2. The Board requested that the CD’s maturing in June be discussed as to if the monies should be reinvested or made available for upcoming projects. This will be placed on the June agenda.
3. Mr. Crahan request European Village be contacted to find out when they needed to receive the DCDD License amount for their budgeting purposes. This was completed and they stated: “Please send over the agreement when available.”
4. The Board requested Mr. Peugh prepare a rebuttal to the Palm Coast Observer Article regarding the installation of gates next to the European Village property. This was completed.

**SEVENTH ORDER OF BUSINESS**

**Financial Reports**

- F. Balance Sheet & Income Statement**
- G. Assessment Receipts Schedule**
- H. Approval of Check Register**

Copies of the financial statements as of January 31, 2026 were included in the agenda package for the Board’s review along with a copy of the check register totaling \$664,877.64.

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On MOTION by Mr. DeGiovanni seconded by Mr. Porter with all in favor the check register was approved.

**EIGHTH ORDER OF BUSINESS**

**Next Scheduled Meeting: April 10, 2026 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. White seconded by Mr. Porter with all in favor the meeting was adjourned.

Signed by:  
  
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Secretary/Assistant Secretary

Signed by:  
  
80C49B74C55B437...  
Chairman/Vice Chairman