Public Facilities Report
October 2026

Dunes Community Development District
101 Jungle Hut Road
Palm Coast, FL 32137

Developed in Accordance with Florida Statutes 189.08

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I. PURPOSE AND SCOPE

This Special District Public Facilities Report has been prepared for the Dunes Community Development District (the District) to comply with the requirements of 189.08, Florida Statutes. This report provides a general description of all public facilities owned and operated by the District along with facility expansion program needs underway or proposed within the next five (5) years.

II. GENERAL INFORMATION

The District, located in Palm Coast, Florida, and established in 1985, provides stormwater management, wastewater treatment and collection, water treatment and distribution and reclaimed water service to the residents of the District. The District is approximately 5.5 miles in length and encompasses approximately 2,200 acres. The District is comprised of four communities: Hammock Dunes (908 acres), Ocean Hammock (435 acres), Hammock Beach (364 acres), and Yacht Harbor Village (92 acres). The District owns and operates a 1,440,000 gallon per day (GPD) water treatment plant (WTP), a 920,000 GPD wastewater treatment plant (WWTP), a reclaimed water treatment and distribution system serving a public access landscape irrigation service area comprised of residential and common areas and golf courses totaling approximately 1,000 acres having a rated disposal capacity of 7.74 million gallons per day (MGD), the stormwater management system, the Hammock Dunes Toll Bridge, the roadways Camino del Mar and Hammock Dunes Pkwy and all the structures, piping, pumps, and appurtenances necessary to operate and maintain these systems.

The general description of the boundaries of the four (4) communities serviced by the District is as follows: Hammock Dunes is generally bounded on the north by Jungle Hut Road; to the east by the Atlantic Ocean; to the west by State Road A1A north of Island Estates and by the Intracoastal Waterway in Island Estates; and to the south by the southernmost point of Island Estates west of State Road A1A and to the south by Varn Park east of State Road A1A. Ocean Hammock and Hammock Beach areas are bounded to the south by Jungle Hut Road, to the east by the Atlantic Ocean, to the north by Malacompra Road, and to the west by State Road A1A. Yacht Harbor Village is bounded by State Road A1A to the east, the Hammock Dunes Toll Bridge to the south, the Intracoastal Waterway to the west, and Jungle Hut Road to the north.

Development within the District has proceeded in accordance with a planned, phased approach, with the overall development nearing 87% of build-out. The District is comprised of single-family residential, multi-family residential, common areas (roadway islands, scenic sidewalk routes, etc.) and recreational areas (e.g., golf courses). The phases of development are as follows:

Phase I, Hammock Dunes:

> This development phase encompasses the Hammock Dunes and Island Estates communities, which account for approximately 1,256 residential units, of which 1,185 are platted and/or permitted and 71 are planned but not platted/permitted. There are 727 single-family residential home sites (721 platted/permitted and 6 planned) and 529 condominium units (464 platted/permitted and 65 planned). This phase has a total area of approximately 908 acres. There is an estimated total of 578 acres of residential and common areas requiring irrigation. The 96-acre Hammock Dunes Golf Course also requires irrigation. The infrastructure has been completed, and the development is approximately 85% of build-out (1,072 residential units out of planned/permitted total of 1,256 units). The transportation and utility infrastructure elements are

complete except for small improvements solely serving new planned but not platted/permitted developments. The Oasis at Hammock Dunes site development, including thirty-three single-family homesites was completed and platted this year. District staff previously approved the proposed design and permits for the various water, sewer, and stormwater drainage infrastructure components that are now owned and maintained by the District.

Phase II, Ocean Hammock and Phase III, Hammock Beach:

Phase II encompasses the Ocean Hammock community, which accounts for approximately 609 residential units. This phase has a total area of approximately 435 acres. The 124-acre Ocean Hammock Golf Course runs throughout both the Ocean Hammock and Hammock Beach communities. The Phase II (Ocean Hammock) portion includes approximately 314 single-family residential home sites, 20 hotel units, and 275 condominium units.

Phase III encompasses the Hammock Beach community, which accounts for approximately 975 residential units. This phase has a total area of approximately 364 acres. The Hammock Beach and Ocean Hammock communities have approximately 201 acres under irrigation. The 124-acre Ocean Hammock Golf Course, which runs throughout both the Ocean Hammock and Hammock Beach communities, is irrigated as well. The Phase III (Hammock Beach) portion includes approximately 489 single-family residential home sites and 486 condominium units. The infrastructure is complete, and the combined Phase II and III development is at approximately 92% of build-out (1,454 residential units out of a potential of 1,584 units). The transportation and utility infrastructure are complete.

Phase IV, Yacht Harbor Village:

This development phase encompasses the Yacht Harbor Village community, which accounts for approximately 293 residential units. This phase has a total area of approximately 92 acres. This development includes 205 single-family residential home sites and 88 condominium units. The infrastructure has been completed, and the development is approximately 60% of build-out (176 residential units out of a potential of 293 units). The transportation and utility infrastructure are complete. This phase also includes a marina with 210 boat slips.

III. EXISTING PUBLIC FACILITIES

A. Potable Water Facilities

1. The District's raw water supply is realized from three (3) wells having submersible well pumps rated to deliver 615 gallons per minute (GPM) each for a total pumping capacity of 2.66 MGD. Water from these wells is treated by a reverse osmosis water treatment facility. The original water treatment facility, completed and placed into operation in August 2007, had a rated treatment capacity of 0.72 MGD. Prior to construction of the water treatment facility, the District previously purchased potable water from the City of Palm Coast. The District and the City of Palm Coast have a current Interlocal Agreement in place that provides conditions for an existing interconnection between the two potable water systems in the event of emergencies or other planned system maintenance activities. The existing potable water interconnections were not utilized as a source for meeting potable water demands during October 2025 through September 2026.

2. The District's water treatment facility (PWS ID 2184259) is currently rated and permitted to produce up to 1,440,000 GPD or 1.44 MGD of potable water. The Dunes CDD WTP capacity increased from 0.72 MGD to 1.44 MGD in May 2015. The District also realizes a potable water storage capacity of 750,000 gallons with a ground storage tank located at the water treatment facility. In February 2024, the District prepared and submitted an updated Capacity Analysis Report (CAR) for the water plant and related facilities to the Florida Department of Environmental Protection (FDEP) as required every five (5) years. The FDEP accepted the District's updated CAR findings, noting the next report will be due on April 30, 2029. The updated CAR illustrates the District's potable water supply, treatment, pumping, and storage facilities are sufficient to meet the projected service area finished water average and peak day demands for the next ten (10) year operating and planning horizon. It is further anticipated that the current 1.44 MGD treatment plant capacity is sufficiently sized to meet the future potable water needs of the District's fully built-out community as currently planned.

3. The District's water treatment facility uses reverse osmosis (RO) to treat brackish groundwater, producing potable water along with a concentrated reject stream (concentrate) high in dissolved salts and minerals that is discharged through a permitted outfall to the Matanzas River under FDEP Permit No. FL0355259, subject to a mixing zone designed to dilute the discharge to safe water quality levels beyond the point of release, with the District required to monitor discharge quality for listed pollutants of concern. The permitted outfall capacity is 0.25 MGD. In June 2024, the District submitted its required five-year FDEP Operating Permit Renewal Application, including facility operating data, flow schematics, the original mixing zone evaluation, bioassay testing, and pollutant sampling results. FDEP issued the renewal on February 21, 2025, effective March 1, 2025 through February 28, 2030.

4. The District has a Consumptive Use Permit (CUP) Number 51136-6 from the St. Johns River Water Management District (SJRWMD) that extends to April 1, 2055. The CUP allows the District to withdraw up to 325.22 million gallons (MG) annually, or 891,000 GPD, on an annual average day basis, for potable water production and use. Groundwater withdrawals utilized to produce the current annual average day potable water demand for the District's water service area are approximately 575,000 GPD or 65% of the CUP allocation.

   District staff and consultants prepared and submitted a CUP Renewal Application in June 2024. Additional documentation and correspondence were provided through January 2025 to address additional requests for information received from the SJRWMD during the application review process. Because the current District water supply service area is well-defined, future increases in water demand are expected to be significantly attributed to the rate of infill of the remaining vacant/undeveloped lots and parcels within the District's water service area. The projected future raw water demand for public supply type use based on the growth rates described results in an annual average day raw water demand of 0.891 MGD in 2054. The District expects that the permitted groundwater withdrawal allocations from the source water supply wells, approved by the SJRWMD, will be enough to meet the District's potable water production needs through the 2055 CUP permit horizon.

5. Water distribution facilities are located throughout the District and consist of approximately 151,500 linear feet of various-sized piping ranging from 2, 4, 6, 8, 10, 12, and 16-inch diameter pipes together with valves and fittings. Individual service to residential clusters or neighborhoods is served by mains less than ten (10) inches in diameter. Potable water main facilities are typically located within the road rights-of-way and are offset from the edge of the pavement. When potable water facilities are located outside of District-owned property or lie outside of road rights-of-way, easements are granted by the developers to the District authorizing the District to access these facilities for maintenance and operational purposes. The District also currently owns and operates approximately 263 fire hydrants and 250 isolation valves serving the potable water distribution system.

6. The current annual average day and peak day demands for potable water treatment and production are approximately 500,000 and 849,000 GPD, respectively. The use is comprised of residential consumption, non-residential consumption, potable irrigation, and system flushing. The current annual period average daily demand represents 35% of the 1.44 MGD total rated production capacity of the treatment plant.

B. Wastewater, Reclaimed Water, and Irrigation Water Facilities

1. Wastewater collection facilities are located throughout the District and consist of approximately 114,725 linear feet of 8, 10, and 12-inch diameter gravity sewers, 623 wastewater manholes, 23 lift stations with various sized pumps having pumping rates ranging from 40 to 500 gallons per minute, 1 small grinder lift station serving an Island Estates gate booth and approximately 47,256 linear feet of force mains ranging from 3 to 12 inches in diameter.

2. The Wastewater Treatment Facility (WWTF) is located at 101 Jungle Hut Road on a dedicated utility site of 23 acres. Treatment processes include pretreatment (screening and flow measurement), flow equalization, secondary wastewater treatment (sequencing batch reactors), filtration, high-level disinfection, along with digestion and solids dewatering and disposal. The District completed an expansion project in early 2020 with the wastewater treatment facility realizing an annual average daily flow (AADF) design capacity of 0.71 MGD. In October 2021, the FDEP issued a permit revision to the District for a re-rating of the WWTP design capacity from 0.71 to 0.92 MGD AADF. Current annual average daily WWTP flow is approximately 389,000 GPD or 42% of the permitted capacity.

   In July 2023, the District prepared and submitted a permit renewal application and an updated Capacity Analysis Report (CAR) to the Florida Department of Environmental Protection (FDEP) as required every five (5) years. The FDEP reviewed the application and supporting information provided and issued the permit renewal (FLA011602-020) to the District in March 2024 having a future expiration date of April 12, 2029. The District's updated CAR findings illustrated the District's permitted domestic wastewater facility capacity of 920,000 GPD (0.92 MGD) is sufficient to meet the projected service area wastewater flows for the next five (5) year operating and planning horizon.

3. Wastewater Disposal/Reclaimed facilities, capable of providing 3,200,000 GPD of reclaimed water for irrigation service, are located at the utility site. These facilities

consist of 3.2 MGD sand media filtration and high-level disinfection capacity, and 17.8 million gallons of reclaimed water storage in four on-site lined lagoons.

4. In addition to processing the wastewater into reclaimed water for irrigation of residential lots, common areas, and two golf courses, the District purchases highly disinfected reclaimed water suitable for public access reuse from the City of Palm Coast. The District utilizes its 12-inch reclaimed transmission main, which connects the District and the City of Palm Coast's WWTP No. 1. The District has an interlocal agreement with the City of Palm Coast for bulk purchase of reclaimed water up to a maximum of 2.6 MGD. The most recent annual period average daily flow received from the City of Palm Coast is approximately 1.53 MGD.

5. During periods when peak irrigation demands are realized within the Dunes CDD service area, the District has the capability to supplement the usual District and Palm Coast wastewater facilities reclaimed water sources with brackish groundwater from the Floridan Aquifer. The District operates an on-site irrigation supply well which withdraws groundwater from the Floridan Aquifer for mixing with reclaimed water stored in the on-site lagoons. The District's SJRWMD CUP authorizes the District to withdraw groundwater up to an annual average of 595,000 GPD from the aquifer to supplement the reclaimed water sources. This resource is permitted for use after the source of reclaimed water has been maximized. In addition to the withdrawal allocation limit, the salt content of this brackish water source further restricts its use. The current annual average groundwater withdrawal rate is approximately 82,000 GPD (or 14% of the allocation). The District's CUP also allows the use of 170,000 GPD of surface water from the stormwater collection/retention system as another supplemental irrigation source. This resource enhances the District's ability to meet peak irrigation demands, and the permit allows use of more stormwater if available. The current annual average daily withdrawal from the stormwater system is 124,000 GPD.

6. There are two types of public access irrigation water use: golf course irrigation and landscape irrigation for residential and common areas. Three (3) irrigation water pump stations are located at the District utility site to transmit reclaimed water to users. The Residential Pump Station owned and operated by the District provides reuse water service to residential and common areas; the Ocean Hammock Golf Course and Hammock Dunes Golf Course pump stations, each of which is owned and operated by the respective golf course management entity, provide reuse irrigation service to each respective golf course facility. Currently, the irrigation pumping facilities meet an annual average daily demand of approximately 2,121,000 GPD (Golf Courses: 684,000 GPD; Residential: 1,437,000 GPD).

   The residential reclaimed water distribution system consists of approximately 125,148 linear feet of 1.5 through 16-inch diameter reclaimed water main, 146 reclaimed valves, and the Residential Pump Station. As indicated previously, the District neither owns nor operates the golf course irrigation pumping stations or their distribution systems.

7. The District has installed several reuse flushing points and reclaimed water flushing hydrants throughout the District to maintain water quality in the reclaimed water distribution system. Although reuse water is treated to advanced secondary treatment standards that include high level disinfection and filtration, the District utilizes a

secondary, disk filtration system located at the wastewater plant and downstream of the residential reuse pumping station to improve irrigation water quality provided for residential landscape irrigation. The current rated capacity of the disk filtration system, upgraded in 2020, is approximately 6,600 GPM or 9 MGD. The residential pump station is capable of pumping approximately 4,000 GPM during peak irrigation demand periods.

8. Several development parcels were designed with community irrigation services. In these areas, the various Homeowners Associations (HOAs) control and maintain the irrigation systems serving the individual lots and common areas within. A portion of the reclaimed water service in the District is supplied via a master irrigation meter. Approximately eighteen (18) neighborhoods have master meters.

C. Stormwater Management

1. The Stormwater Management System originally completed and permitted consists of approximately 179 acres of created lakes. In 2021, the District created a Stormwater Utility with associated rule and rate structures for operating and maintaining the stormwater lake and system components.

2. In September 2019, the District purchased mitigation bank credits and received a permit modification from the St. Johns River Water Management District (SJRWMD) for marsh mitigation. The lakes and marshes are connected to each other by drainage pipes and various drainage channels.

D. Toll Bridge

1. The toll bridge consists of a two-lane high-level fixed structure across the Atlantic Intracoastal Waterway. The bridge is approximately sixty-five (65) feet above the mean high water of the Atlantic Intracoastal Waterway and approximately 2,600 feet in length. This facility connects Interstate 95 via Palm Coast Parkway with State Road A1A.

2. The toll plaza associated with the toll bridge is located on the west side of the bridge and consists of two tollbooths and administration offices.

3. A connector road, Camino del Mar, which connects the toll bridge with State Road A1A, is also owned and maintained by the District. In January 2015, the Dunes CDD accepted ownership of Hammock Dunes Parkway from Camino del Mar to 16th Road.

4. The District, in late 2018, commissioned a traffic engineering consulting firm, Kisinger Campo & Associates (KCA), to perform an intersection traffic capacity and level of service analysis for the intersection of Hammock Dunes Pkwy. and Camino del Mar along with Hammock Dunes Bridge. This report included a Highway Capacity Software (HCS) evaluation which indicated the Design Year 2045 AM and PM peak hour level of service (LOS) for the current two-lane configuration along the Hammock Dunes Bridge was found to be an acceptable LOS D. In May 2023, a continuation of the original traffic analysis was performed by KCA to compare the signal with widening alternative to an all-way stop-controlled (AWSC) with

widening alternative. The AWSC with widening alternative was determined to serve as a sufficient interim LOS improvement until 2040 when a traffic signal would be required. This alternative was constructed and placed into service in 2025.

IV. PROPOSED CAPITAL PROJECTS - NEXT FIVE YEARS

A. Potable Water, Wastewater, and Irrigation Utilities

1. Potable Water

The WTP capacity increased in May 2015 from 0.72 MGD to 1.44 MGD. It is not expected that additional capacity will be necessary to serve the potable water needs of the community. In February 2024, the District prepared and submitted an updated Capacity Analysis Report (CAR) for the water plant and related facilities to the Florida Department of Environmental Protection (FDEP) as required every five (5) years. The FDEP accepted the District's updated CAR findings that illustrated the District's potable water supply, treatment, pumping, and storage facilities are sufficiently sized to meet the projected service area finished water demand for the next ten (10) year operating and planning horizon. It is further anticipated that the current 1.44 MGD treatment plant capacity is sufficiently sized to meet the future potable water needs of the District's fully built-out community as currently planned.

The District's Public Water Supply (PWS) permit for the WTP is due for renewal by April 30, 2029. The District's NPDES permit for the WTP's Reverse Osmosis Concentrate Outfall (FL0355259) remains valid through February 28, 2030.

The District plans to replace the reverse osmosis feed pumps at the WTP, which have reached the end of their useful service life. This project will restore reliable feed pressure to the RO treatment train, reduce the risk of unplanned outages, and improve overall energy efficiency of the treatment process. The project is anticipated to be funded through the Water and Sewer Fund / Capital Improvement Program and is targeted for construction in calendar year 2027.

The District is planning a future WTP Improvement Project to rehabilitate and replace aging treatment plant equipment and infrastructure and improve the overall reliability, efficiency, and resiliency of the potable water treatment process. The project is anticipated to address major mechanical, electrical, process, and control components that are approaching or have exceeded their expected useful service life, with improvements focused on maintaining reliable treatment operations and reducing the potential for equipment failures and unplanned outages.

The project may include replacement or rehabilitation of major treatment process equipment, increasing storage capacity, pumps, electrical and control systems, and other associated plant components identified through ongoing condition assessments and operational needs. The final scope of improvements will be refined through engineering evaluation, asset condition assessments, project development, and coordination with District operations.

The District currently anticipates advancing the project as part of its long-range Capital Improvement Program in 2030. The project cost, final scope, implementation schedule, and proposed funding source will be established as the project is further developed and will be presented to the District's Board of Supervisors for consideration and approval. The project is intended to maintain the WTP's existing treatment capabilities while improving the long-term reliability, operational efficiency, and resiliency of the District's potable water system.

2. Wastewater

The District owns and operates a 0.92 MGD WWTP. The design capacity of 0.92 MGD, realized upon completion of the District WWTF Expansion and Improvement Project (Phase 1) in September 2019 and re-rating in 2021, provides necessary capacity for anticipated future flows.

An updated Capacity Analysis Report (CAR) was prepared and submitted along with the application for permit renewal to FDEP in July 2023. The recent CAR indicates current plant capacity is sufficient to serve wastewater treatment needs for the next five-year permit renewal period. The FDEP reviewed the application and supporting information provided and issued the permit renewal to the District in March 2024 having a future expiration date of April 12, 2029.

The District is planning a future WWTP Improvement Project to rehabilitate and replace aging equipment and infrastructure at the District's existing 0.92 MGD Sequencing Batch Reactor (SBR) facility. The project is intended to address major mechanical, electrical, process, and control components that are approaching or have exceeded their expected useful service life and to maintain the reliability and performance of the wastewater treatment process.

Potential improvements may include rehabilitation or replacement of process equipment, aeration and pumping equipment, electrical and control systems, process piping, and other associated treatment plant components identified through ongoing condition assessments and operational needs. Improvements will be prioritized based on equipment condition, operational reliability, regulatory requirements, and the ability to maintain treatment capacity and effluent quality.

The District currently anticipates advancing the project as part of its long-range Capital Improvement Program in 2030. The final scope, project cost, implementation schedule, and proposed funding source will be established as the project is further developed and will be presented to the District's Board of Supervisors for consideration and approval. The project is intended to maintain the WWTP's existing 0.92 MGD treatment capacity while improving long-term reliability, operational efficiency, and resiliency of the District's wastewater treatment system.

3. Reclaimed Water

The District and the City of Palm Coast have an existing agreement that contains provisions for the reclaimed water that is provided by the City of Palm Coast to the District. The agreement includes a provision for the use of the District's reclaimed water transmission main by the City for discharge of effluent to the Intracoastal Waterway (ICWW) especially during periods of wet weather. The City desires to increase its capability to discharge effluent to the ICWW and the District desires to increase the amount of reclaimed water that may be attained from the City. Because of the potential to

increase a long-term, sustainable supply of irrigation water to the community, the District maintains ongoing discussions with the City as new service improvements or projects are contemplated. If feasible, the District may consider partnering with the City in a project to increase the supply of reclaimed water to the District while enhancing the City's capacity to discharge additional amounts of effluent to the ICWW during wet weather. The District also harvests stormwater from its stormwater system to supplement reclaimed water for landscape irrigation. District staff continue to assess the feasibility and long-term sustainability of this water resource.

A capital improvement project was completed in 2020 to replace and upgrade the existing disk filtration system located downstream of the residential reuse pumping station to improve irrigation water quality provided for landscape irrigation. The capacity of the three (3) skid-configured system is rated at 2,200 GPM each for a total capacity of 6,600 GPM. The equipment upgrade provides an increased capacity to more effectively filter reclaimed water distributed from the lined storage pond system. The upsized equipment exceeds peak irrigation demands realized from time to time with one skid unit either out of service or in a typical backwash cleaning cycle. An additional permanent reclaimed flushing device located at the southerly end of Island Estates was installed in Fall 2022.

The District is planning modifications to the residential reclaimed water pump station as part of the anticipated 2030 WWTP Improvements Project. The improvements are intended to enhance the station's operation and maintainability and may include replacement of pumps and piping, as well as building modifications to improve access to equipment and provide better working conditions for future maintenance activities.

B. Stormwater Management System

The stormwater management infrastructure has been completed and requires no expansion to serve the final build-out population. The District has accepted responsibility for the ongoing maintenance of the stormwater system throughout the District.

The District adopted a Stormwater Utility Service and associated rules and fees in October 2021 to provide funding for appropriate levels of service and support the reliable operation and maintenance of the District's stormwater system. An engineering study was subsequently performed to assess the overall needs of the stormwater facilities and infrastructure and evaluate the long-term sustainability of the system and its resources. In 2024, the District and Flagler County approved the concept of an interlocal agreement for the purpose of billing stormwater utility fees via property tax bills to the Beach Walk community along with other parcels, once developed, that are shown to drain to the District's stormwater system.

The District also developed a Stormwater Geographic Information System (GIS) database to provide a digital inventory of the District's stormwater infrastructure, including pertinent asset attributes. The GIS database provides an interactive tool for documenting and mapping the configuration and characteristics of the existing stormwater collection system. It will also serve as an important resource for evaluating the condition and disposition of individual system components and establishing future rehabilitation and replacement needs, priorities, and associated costs.

The District is currently preparing request for proposal (RFP) documents for a stormwater inspection and cleaning program to further evaluate existing infrastructure, identify maintenance and rehabilitation needs, and help ensure the continued reliability and functionality of the District's stormwater system.

The biennial SJRWMD MSSW Stormwater Registered Professional's Inspection Report for the Hammock Dunes and Ocean Hammock stormwater system and outfalls was prepared and submitted by engineering consulting firm, WRB Engineering, Inc. in September 2026. The report indicates the systems were inspected and are functioning in accordance with regulatory requirements with a few areas denoted for routine maintenance and cleaning.

C. Toll Facility, Bridge, Hammock Dunes Parkway & Camino del Mar

The District completed the Hammock Dunes Bridge Rehabilitation Project in November 2021. The project, designed by Kisinger Campo & Associates (KCA), included cathodic protection, concrete repairs, joint replacements, ladder removal, fender and embankment repairs, and other miscellaneous improvements identified through prior bridge inspections.

KCA's 2025 biennial bridge inspection, dated July 2, 2025, reported a Sufficiency Rating of 85.7 and a Health Index of 98.44, generally consistent with the 2023 inspection ratings of 87.3 and 98.67, respectively. The bridge remains in good overall condition, with component ratings generally ranging from A- to B+.

KCA previously completed a traffic capacity and level-of-service analysis for the Hammock Dunes Parkway and Camino del Mar intersection. The analysis determined that the intersection was operating at an acceptable level of service, with additional capacity anticipated to be needed by approximately 2031. A traffic signal is currently warranted based on traffic volumes, and improvements including turn lanes and signalization are anticipated to provide adequate capacity through the 2045 design year. The existing two-lane Hammock Dunes Bridge was determined to have adequate capacity through 2045.

The District subsequently authorized final design of the proposed signal and intersection improvements and acquired the necessary additional right-of-way from Flagler County. A supplemental traffic analysis completed by KCA in May 2023 evaluated an all-way stop-controlled intersection with widening compared to a signalized intersection with widening. The all-way stop-controlled alternative was determined to provide a sufficient interim level-of-service improvement through approximately 2040, after which signalization would be required.

The Hammock Dunes Parkway and Camino Del Mar AWSC intersection improvements were completed in November 2025 by Besch & Smith Civil Group. The improvements were designed to provide an interim level-of-service enhancement through the projected 2040 milestone and included the necessary roadway and intersection infrastructure to accommodate future signalization. Traffic operations will be reevaluated as the intersection approaches the projected 2040 level-of-service threshold to determine the need and timing for installation of a traffic signal. The existing improvements are intended to facilitate future signalization without requiring significant additional roadway modifications.

KCA is currently performing preliminary engineering and a planning-level cost evaluation for conversion of the existing toll collection facilities to an all-electronic tolling (AET) system utilizing SunPass. The study includes coordination with the Florida Department of Transportation (FDOT) and TransCore to evaluate tolling operations, system requirements, implementation logistics, and applicable toll collection fees and costs, which will be used to establish the anticipated project payback period. Upon Board approval, the project would advance to final design, permitting/procurement, and bidding in 2027, with completion of construction in 2028.

V. RENEWAL/REPLACEMENT OF FACILITIES

Potable Water System

Several renewal and replacement projects are included in the District's Capital Improvement Program (CIP). Recent potable water supply and treatment systems-related project implementation schedules are listed below:

1. RO Feed Pump Improvements (FY 26/27 – Design & Construction)
2. RO Building Structural Repairs (FY 26 – Construction)
3. Well #4 Pump Replacement (FY 26)
4. Water Quality Coupon Study (FY 27 – Engineering Study)
5. Well #3 and Well #4 VFD Additions (FY 27)
6. Well #5 Acidification (FY 27)
7. Caustic Pump Skid and Scrubber Rehabilitation (FY 27)
8. WTP Improvements (FY 30)
9. Other future year projects contained in the District's Five (5) Year CIP include: Water Distribution System Piping Repairs, Utility Vehicle/Equipment Replacement.

Wastewater & Reclaimed (Reuse) Systems

Several renewal and replacement projects are included in the District's Capital Improvement Program (CIP). Projects related to the wastewater treatment, collection, and reclaimed distribution systems are scheduled for implementation as listed below:

1. Reclaimed Water System Split North-South Valve Installation (Construction – on hold)
2. WWTP Train 1 Filter Rehabilitation (FY 25 – Complete)
3. WWTP Train 2 Filter Rehabilitation (FY 26 – Construction underway)
4. Lift Station 11 Rehabilitation (FY 26 – Construction)
5. Lift Station 7 Rehabilitation (FY 27 – Design & Construction)
6. Cutrine Injection System (for Reclaimed Holding Ponds) (FY 27)
7. Lift Station 4 Rehabilitation (FY 28 - Design & Construction)
8. WWTP Improvements (FY 30)
9. Other future year projects contained in the District's Five (5) Year CIP include: Lift Station Rehabilitation Projects (Electrical/Mechanical/Piping – priority conditions based assessment), Lift Station Emergency Standby Pumps, Reclaimed Pond No. 3 Cleaning – Liner Repair, Plant Facility Perimeter Fencing, Reclaimed/Stormwater Augmentation (HD Lake System to Reject Pond), Collection System and Reclaimed System Piping Repairs, Utility Vehicle/Equipment Replacements.

Stormwater System

Several renewal and replacement projects are included in the District's Capital Improvement Program (CIP). Projects related to the District's stormwater system are scheduled for implementation as listed below:

1. Clean and Inspect Stormwater System (FY 27 - Ongoing)

2. Other future year projects contained in the District's Five (5) Year CIP include: Stormwater Inventory/Annual Cleaning/Inspection Program, Evaluating Future Funding Mechanisms, Critical/Scheduled Repairs.

Toll Facility, Bridge, Hammock Dunes Parkway & Camino del Mar

Several renewal and replacement projects are included in the District's Capital Improvement Program (CIP). Projects related to the Hammock Dunes Bridge and Hammock Dunes Parkway systems are scheduled for implementation as listed below:

1. HD Bridge All-Electronic Tolling Upgrades (FY 27/28 – Design & Construction)
2. Other future year projects contained in the District's Five (5) Year CIP include: Intersection Improvements – Signalization Construction, Replace Parkway/Bridge Lighting, Vehicle/Equipment Replacement, Pavement Resurfacing.
3. Correct deficiencies identified in the next bridge inspection.