

Hammock Dunes Owners' Association, Inc.
Board of Administrators Meeting
August 18, 2008

Call to Order

The meeting was called to order at 10:00 A.M.

Members Present: George Bagnall, Kelli Jebbia, Bruce Aiello, Cosmo DiPerna, Dave Eckert, Jay Furbay, Sterling Colee, Howard Broussard

Members Absent: James Schumaker, Janet Krolicki

Others Present: Fred Annon, Jr., Travis Houk, Southern States Management Group, Inc. Harry Gudenberg, Hammock Dunes Club, non-voting member

Members' sign-in sheet located in Association Meeting File

A quorum was established.

Approval of Minutes – June 19, 2008

ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board approved the minutes of the June 19, 2008 Board of Directors Meeting with following corrections:

On page 2, sentence 1 of Maintenance Updates, the phrase "at a cost of approximately \$300,000 per year," should be moved and inserted after the word "nothing". The phrase, "which raises that cost by an additional \$80,000-\$100,000 per year," should be inserted after the word "capabilities." In sentence 2, the word "additional" should be added before the word "cost".

On page 2, the paragraph regarding the Mancino Proposal should be deleted, as this item was discussed at the May 2008 Board of Directors Meeting.

Committee Reports:

Communication Committee

Website

Kelli Jebbia reported on research into developing and hosting an HDOA community website. The difference in cost between the website proposal submitted by Southern States Management Group and the HDOA initiating its own website is minimal. If the HDOA develops a community website, Ms. Jebbia expressed concerns regarding time involved in routinely managing and updating the site. Mr. Eckert stated he has reservations using a property management website to access the HDOA website as well as being grouped together with other clients. Mr. Bagnall recommended sending an e-mail to owners requesting feedback on a test website through the Southern States Management Group website. The Board agreed to include information about the website and a request for owner feedback in the next community newsletter.

Mrs. Jebbia recommended installing glass bulletin boards near the comfort station to enhance communications with owners. The Board determined this was not necessary at this time.

ON MOTION BY Kelli Jebbia, seconded by Jay Furbay, with Mrs. Jebbia, Mr. Aiello, Mr. Colee, Mr. Furbay, Mr. DiPerna, Mr. Bagnall, and Mr. Broussard in favor and Mr. Eckert opposed, the Board approved utilizing the Southern States Management Group website for the next year and getting feed back from owners on how to proceed in the future. The motion carried.

Finance Committee

Mr. Aiello reported on Association finances. Unbudgeted legal fees, total approximately \$11,000, and insurance costs exceeded the budget.

WCI owes roughly \$40,000 in unpaid assessments. Management is researching how the funds owed by WCI might be collected. Mr. Bagnall directed Management to investigate the possibility of filing a lien against properties owned by WCI which are several months in arrears. The Declaration provides for the acceleration of 12 months assessments for late payments – management was instructed to review the documents and proceed.

Social Committee

Five nominations have been received for the Volunteer Recognition Dinner. This will be reviewed at the September meeting.

Design Review Committee

Mr. DiPerna asked the Board to review a draft letter to owners regarding the revised DRC Manuals. The letter states the HDOA will post the revised manuals on the Southern States Management Group website (instead of mailing a CD) and if owners request a CD, they may obtain one from the Southern States Management Group office. Mr. Eckert recommended including language in the letter that the new guidelines have been promulgated and owners are now required to follow them, and the previous design guidelines are no longer valid. DRC guidelines will also be mailed to new owners along with their welcome package. Mr. Bagnall asked the DRC to develop a list of the categories and submittal fees for various alterations, and to estimate anticipated revenue between now and the end of the year. If Committees exceed their budget, they must get approval from the Board for additional expenditures.

ON MOTION BY Cosmo DiPerna, seconded by Bruce Aiello, with all in favor, the Board approved sending the letter, as corrected, to owners regarding new DRC guidelines.

Long Range Planning

There was no report.

Maintenance Updates

Mr. Eckert reported the Ocean Estates Eastern Setback Committee has not spent the \$18000 it was allocated. If the Board concurs, Ocean Estates is willing to budget \$12000 to install sod along the west Lake Varn bank adjacent to the sidewalk. The Spartina can be transplanted in bare areas in the Community.

ON MOTION BY Dave Eckert, seconded by George Bagnall, with all in favor, based on the sample/test location of the sod that has been installed at the lake bank near the south corner of San Gabriel and Calle del Sur, the Board approved up to \$12,000 from the Ocean Estates budget and up to \$8,000 from the Granada Estates budget to purchase and install sod and landscape enhancements for the Lake Varn lake bank.

The DRC reviewed two different designs for renovation of the rotary circle fountain submitted by the Maintenance Committee. The cost is \$5,000 to obtain a design and about \$50,000 to build and install. Mr. Bagnall recommended tabling the matter until the Board has more information regarding WCI's financial situation.

The Committee has been researching installation of a pedestrian gate at the Clicker Beach dune walkover. Mr. Eckert advised there is not much room to install a gate.

Guard House Design

Mr. Eckert reported on plans for renovation of the gate houses. There was discussion regarding options and costs for gate house roof styles.

ON MOTION BY Dave Eckert, seconded by Howard Broussard, with all in favor, the Board approved obtaining an estimate on the rectangle design front elevation roof style and the roof design with a cupola.

A1A Landscape Proposal

A proposal from DCI was included in the agenda package to design a landscape plan and obtain Flagler County approval for the installation of landscape in the conservation area along A1A to buffer the Hammock Dunes billboard sign from Granada Estates owners. This project was tabled.

Missing Light Pole – Del Mar/Del Ray Intersection

There was discussion regarding the missing light pole. Additional light poles will be ordered and installed if none are available in storage.

Securitas

Rover – Granada Estates

An owner suggested the Securitas rover monitor the Granada Estates entrance during morning hours when contractors are arriving to be certain that contractors are not following vehicles into the community without obtaining a pass. The rover is at the south gate until 7:00 a.m. and then will go to the Main Gate and Granada Estates Gate to assist.

New Contract

There was extensive discussion regarding the proposed new vehicle access control contract with Securitas. Management has been directed to negotiate the Securitas contract, based on input from the Board. If a new contract is not available for the September Board Meeting, Management is directed to put the contract out for bid.

Association Updates/Discussion:

Camino del Sol Drainage Update/Price

Tomoka Construction has completed the new drainage pipe installation. Landscape installation and irrigation adjustments are the next step. Corey Landscape is contracted to do the work and should be finished by the September meeting.

WCI Financial Update & Construction Site

WCI has declared Chapter 11 bankruptcy, and James Schumaker has been relocated to one of WCI's south Florida offices. There was discussion to engage a bankruptcy attorney to represent the HDOA. Currently the HDOA is not listed as a creditor.

Legal Updates

5 Roma Court

The owner has received a Certificate of Occupancy and passed final inspection. The DRC has closed its books on the matter. The owner has requested return of his construction deposit, which was submitted by his builder 5 years ago. A release from the builder will be required to release the deposit to the owner. The owner owes the Association \$6000-\$8000 in legal fees. Mr. Houk stated he believes DRC rules allow use of the construction deposit to cover legal fees. Mr. Bagnall recommended pursuing payment of the legal fees and withholding the construction deposit until the legal fees are paid and requiring the owner to obtain a release from the builder to return the construction deposit.

3849 North Ocean Shore Blvd. Caruso Residence -- Foreclosure

Management was directed to pursue foreclosing on 3849 North Ocean Shore Blvd. for failure to pay assessments and aggressively pursue legal action on delinquent accounts.

New Business

Private Property Maintenance—Unimproved Lots

There was extensive discussion regarding options for maintenance of vacant lots. Mr. Annon advised Association Documents permit the Board to establish a Fine Committee. Fines can be assessed to the owner. Mr. Bagnall requested Management ask the attorney whether the Association can create an assessment fund for maintenance of vacant lots.

Casa Bella Safety Issue

Ms. Jebbia asked that a stop sign be installed on the north side of the exit from the Casa Bella Condominium buildings. The Maintenance Committee will investigate pricing on striping a stop bar or installing a stop sign.

Letter from Marc Ray, Hammock Dunes Club

Marc Ray requested a letter from the Master Association permitting the Club project near the tennis courts to encroach on HDOA property.

Mr. Bagnall said if there is any associated cost, the Hammock Dunes Club should be asked to indemnify the Master Association.

Audience Comments

There were no audience comments.

Adjournment:

ON MOTION BY Kelli Jebbia, seconded by Cosmo DiPerna, with all in favor, the meeting was adjourned at 1:00 p.m.