

**Hammock Dunes Owners Association
Board of Administrators Meeting
November 15, 2010**

Call to Order

The meeting was called to order at 10:05 a.m.

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

Members Absent: David Jacobs, Tom Sharpe,

Others Present: Travis Houk, Southern States Management Group, Inc.

A quorum was established. Members' sign-in sheet located in Association Meeting File.

Approval of the Minutes – October 18, 2010

ON MOTION BY Cosmo DiPerna, seconded by Bruce Aiello, with all in favor, the Board approved the minutes of the October 18, 2010 Board of Directors Meeting with following correction:

- **On page 3 under Security and Emergency Response Committee, the fourth sentence from the top should state, “If a resident would like to install a gate, they have to use the same design and location currently in place; however the Association should deliberate in detail before installing more gates.”**
- **On page 3 under Security and Emergency Response Committee, the fifth sentence from the top should read, “The Island Estates Neighborhood Association has requested permission to install a new surveillance camera system at the Mariner Drive entrance to the community.”**
- **On page 4 under Sea Wall Update, the last sentence should state, “The wall will have a concrete cap to elevation of 7’6” NGVD.**

FY 2011 Budget Adoption:

Hammock Dunes Owners' Association

Bruce Aiello reviewed the proposed FY 2011 Operating Budget for the Hammock Dunes Owners' Association, Inc. The budget is based on 1220 units. The proposed assessment of \$109 per unit per month, remains the same as the assessment in 2010.

ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with all in favor, the Board approved the Hammock Dunes Owners' Association, Inc. FY 2011 Operating Budget as presented.

Granada Estates Neighborhood

Bruce Aiello reviewed the proposed FY 2011 Operating Budget for the Granada Estates Neighborhood. The budget is based on 207 units. The proposed assessment, \$47 per unit per month, is the same amount as the assessment in 2010.

ON MOTION BY Bruce Aiello, seconded by Phil Henderson, with all in favor, the Board approved the Granada Estates Neighborhood Association FY 2011 Operating Budget as presented.

Ocean Estates Neighborhood

Playa del Sur

Bruce Aiello reviewed the proposed FY 2011 Playa del Sur, Ocean Estates Neighborhood Operating Budget. The monthly assessment for the 43 Playa del Sur lots will increase by \$15 per unit per month

to replenish the reserve account depleted from the funding of the sea wall along Lake San Gabriel. The new assessment is \$262. One Playa del Sur audience member addressed the Board about future sea wall maintenance costs, reserve allocations, and ownership of the lake bank. Specifically, he stated the lake bank is common property for the enjoyment and general use of all Hammock Dunes property owners and should not be the responsibility of the Playa del Sur Neighborhood. The Board agreed the Hammock Dunes Master Declaration clearly states the ownership of the property is the responsibility of Playa del Sur. Mr. Eckert stated he would like to see more participation by residents at large to put pressure on the Board when some of the issues come up from a fairness stand point. Mr. Bagnall stated the majority of comments from residents outside of Playa del Sur are favorable as long as they are not paying for the sea wall. Mr. Aiello stated other Neighborhood Associations have requested Master Association funding and if the representative would like to agenda the topic again then it will be discussed at that time. The Board discussed the current height of the sea wall. Mr. Eckert reviewed the reasons, specifically the 100 year flood plane, why the wall was set at its current height.

ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with all in favor, the Board approved the Playa del Sur FY 2011 Operating Budget as presented.

Carino la Mer

Bruce Aiello reviewed the proposed FY 2011 Operating Budget for the Carino la Mer, Ocean Estates Neighborhood. The amount of the monthly assessment for the 28 units in Carino la Mer will remain the same as it was last year. It was noted Line item 3263, Natural Disaster, was omitted from the budget. Travis Houk will review why the line was omitted; however the numbers do add up.

ON MOTION BY Dave Eckert, seconded by Bruce Aiello, with all in favor, the Board approved the Ocean Estates, Carino la Mer FY 2011 Operating Budget as amended to include line item 3263 and, if necessary, adjusting only the categories between assessment write off and the establishment of item 3263.

Grande Mer

Bruce Aiello reviewed the proposed FY 2011 Operating Budget for the Grande Mer, Ocean Estates Neighborhood. The Grande Mer monthly assessment is not assessed by unit. It is a net number and the units are assessed on a percentage basis, rather than everyone being assessed at the same rate. The total assessment is the same as the FY 2010 assessment. Mr. Houk was asked to include the assessment list by property in the budget.

ON MOTION BY Dave Eckert, seconded by Cosmo DiPerna, with all in favor, the Board approved the proposed Ocean Estates Grande Mer FY 2011 budget to include the assessment allocation list.

Casa Bella Neighborhood – Avenue de la Mer Discussion

Jim Cottrell and Phil Henderson with the Casa Bella Neighborhood Association distributed a letter addressing the current situation with the Casa Bella Neighborhood Association and the closing of Ave. de la Mer. The plat sheet for Casa Bella, which identifies the Hammock Dunes Owners' Association as the owner of Ave de la Mer, was reviewed by the Board. The Planning Board for Flagler County recently advised the Casa Bella Neighborhood Association that they can not close the road since they technically do not own the road per the recorded plat even though Casa Bella has a quit claim deed from WCI. The Board discussed the legality of the plat and the history of the recording. Mr. Bagnall stated HD Associates never signed off on the plat and Tim Byal, WCI project manager at the time, probably signed the plat on his own. Mr. Eckert stated WCI does not have the authority to sign off for the Declarant. Mr. Cottrell stated one item that is unknown is that no one knows what the deal was between WCI and HD Associates. He further stated the government officials have told their

Association they do not own the road. Mr. Bagnall stated he does not see how Flagler County could approve the plat.

ON MOTION BY Dave Eckert, seconded by Kelli Jebbia, with all in favor, the Board authorized George Bagnall and Bruce Aiello to hire an attorney to obtain an opinion on whether the plat has gone through proper legal process.

Committee Reports:

Communications Committee

Kelli Jebbia reported she is waiting until after today's Budget Adoption Meeting to have the SandScripts newsletter mailed to owners. Ms. Jebbia reviewed a proposal to promote the Hammock Dunes community and current real estate listings with a home show/fundraiser event. Mrs. Jebbia reviewed an outline of the proposal. The main objective of the proposal is to promote Hammock Dunes and expose the current homes for sale to potential buyers. There was discussion regarding the proposal. The Board decided that more work needed to be done on the plan before a decision can be made.

Social Committee

Cosmo DiPerna reported that the Volunteer Recognition Dinner went very well, with an attendance of about 120. Details regarding the event will be included in the newsletter.

Design Review Committee

Mr. Houk reported the resident of 3 Marbella Court contacted him and said a painter has been hired to paint her house (pink house). Mr. DiPerna stated hopefully this will happen and the DRC can move on.

Financial Committee

Mr. Aiello reported year-to-date the Association continues to be under budget for all neighborhoods including the Master Association with the exception of Playa del Sur. Mr. Aiello stated he scheduled a meeting with a different "bulldog" attorney to discuss collection of delinquent accounts. He will report on the outcome of the meeting at the next Association meeting. Mr. Bagnall stated the reserves are still incorrect and asked for copies of the auditors report.

Security Committee

The Board received a formal request to install a gate on the walkover by the Comfort Station. Owners have responded positively to new gates installed on the dune walkovers.

ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with Mr. Aiello and Mr. DiPerna in favor and Mrs. Jebbia, and Messrs. Broussard, Eckert, Henderson, Furbay and Bagnall opposed, the Board voted to install gates at the Clicker Beach and Comfort Station dune walkovers exactly like gates installed on the other dune walkovers, which were previously approved by the DRC. The motion failed.

ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with Ms. Jebbia and Messrs. Aiello, DiPerna, Broussard, Eckert, Henderson and Furbay in favor and Mr. Bagnall opposed, the Board voted to install a gate at the Clicker Beach walkover. The motion carried.

Long Range Planning Committee

Mr. Eckert distributed a draft document regarding build-out in the community and additional future Club memberships gathered from an HD Club document. Mr. Eckert stated he met with Frank Ferguson and Phil Henderson to discuss community and HD Club projections. Mr. Charles Swinburn stated the Board members should sit down with the Club Planning Committee. He further elaborated

that the Planning Committee would not agree to any of the proposed numbers on the draft document. Mr. Eckert asked for the draft documents back to avoid any potential confusion. Mr. Eckert stated the Club has not provided the Long Range Planning any information to assist with projections; however he is willing to continue open discussion with the Planning Committee.

Maintenance Committee

Mr. Eckert reported on the status of sea wall construction and advised all of the vinyl sheeting has been installed. Mr. Eckert asked the Board to delegate authority to make a decision regarding storing back fill dirt for the sea wall project on Hammock Dunes lots owned by WCI if WCI approves the request. Mr. Aiello asked if WCI does not grant approval, do we still have other means to store the dirt. Mr. Eckert stated there are a few more options but would like to pursue the WCI option first.

ON MOTION BY Dave Eckert, seconded by Phil Henderson, with all in favor, the Board authorized the Maintenance Committee to decide whether to store up to 200 truckloads of lake bank fill on Playa del Sur lots owned by WCI, if the developer approves the proposal.

The other items on the maintenance report were addressed. The lake bank restoration and clearing continues to happen. Mr. Houk advised the DCDD has denied the extension of the pipe along the lake bank. Mr. Eckert stated the Committee should continue with the project as originally discussed and get it done.

Mr. Eckert advised he would like a new maintenance committee chairman. Mr. Bagnall said the Board is working on it.

Maintenance Updates:

Sea Wall Update – Back Fill Dirt

This item was discussed during the Maintenance Committee report.

Association Updates/Discussion:

Real Estate Referrals

Buzz Villa Email

East Coast Premiere Properties

Prudential Request

Tom Sharpe has not confirmed, but it was stated that an agreement was finalized with H.D. Associates and Hammock Luxury to put a satellite office in the sales office. Additional realtors have contacted Board members and said the Board has no legal authority to provide a list of realtors at the gate house. Resident realtors have stated they are being treated unfairly if not included on the list. Mr. Aiello stated the amount of visitors coming to the gate requesting realtor information is low, less than 5 a month. He further stated that at this point the Board should eliminate the list.

The Board reviewed a request from Prudential to include them on the list.

ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board voted to eliminate the preferred realtor list currently distributed at the gate house.

Murano Units

Mr. Bagnall stated for the past year and a half, WCI has been invoiced for 67 Murano units, instead of 64 units, which distorts figures in the Association's financial reports.

ON MOTION BY George Bagnall, seconded by Cosmo DiPerna, with all in favor, the Board voted to bill WCI for 64 Murano units and write off assessments and administrative fees for the three additional units for the year and a half since WCI came out of bankruptcy.

Billboard Buffer/A1A – George DeGovanni Email

HD resident George DeGovanni advised the Board that the plant barrier buffering the billboard on A1A was knocked down to provide access to the billboard. Mr. Bagnall said a fence could be installed on HD property limiting access to the billboard. Dave Eckert stated he will contact Tom Sharpe with H.D. Associates regarding the issue.

Waterfront Vacancy

There was discussion regarding appointing an individual to fill the remaining term of the Waterfront Community representative on the Hammock Dunes Owners' Association Board of Administrators. A few recommendations were discussed; however no one was selected as this time.

New Business:

182 I.E. Public Sale

On Wednesday November 17, 2010, 182 Island Estates Parkway will be put up for sale at public auction. Mr. Houk asked the Board if they would like to have a representative present during the sale. It was noted the Board should have a representative present so they know who, if anyone, is awarded the bid on the house. Mr. Furbay volunteered to attend the auction.

Audience Comments

The Island Estates Neighborhood Association asked the Association to add a few more houses to the list of abandoned properties for which the master association is funding landscape maintenance. The Board reviewed the list and decided not to take action on any of the five properties recommended for inclusion on the list. Mr. Eckert asked for a future agenda item to discuss formalizing separation of duties among board members.

Adjournment

ON MOTION BY Phil Henderson, seconded by Bruce Aiello, with all in favor, the meeting was adjourned at 1:25 p.m.