

**Hammock Dunes Owners Association, Inc**  
**Board of Administrators Meeting**  
**April 18, 2011**

**Call to Order**

The meeting was called to order at 10:00 a.m.

**Members Present:** George Bagnall, Bruce Aiello, Kelli Jebbia, Dave Eckert, Phil Henderson, Cosmo DiPerna, Andy Furia

**Members Absent:** Jay Furbay, David Jacobs, Tom Sharpe

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

Don Finch, Hammock Dunes Club

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

**Approval of the Minutes – March 21, 2011 Board of Directors Meeting, March 28, 2011 Annual Meeting & Organizational Meeting**

**ON MOTION BY Bruce Aiello seconded by Dave Eckert, with all in favor, the Board approved the minutes of the March 21, 2011 Board of Administrators meeting with the following amendments:**

- **On page 1 under “Alternative Landscape Restoration Options – Bob Dickinson” in the second paragraph, the third sentence from the bottom is amended to state, “Mr. Eckert suggested it’s probably better to depict the property line location instead of a dimension and also since the water level varies to indicate the wall elevations desired.”**
- **On page 2 under “Casa Bella Neighborhood Proposal – Ave. de la Mer” in the sixth sentence the word “chucks” is amended to “chunks”.**
- **On page 3 under “Long Range Planning Committee” in the seventh sentence, the words “passed on” is amended to “forwarded”.**

**The Board directed Travis Houk to review the March 21<sup>st</sup> tape and confirm the motions and associated dialogue under “Casa Bella Neighborhood Proposal – Ave. de la Mer” and report back to the Board.**

**ON MOTION BY Bruce Aiello, seconded by Phil Henderson, with all in favor, the Board approved the minutes of the March 28, 2011 Annual Meeting.**

**ON MOTION BY Dave Eckert, seconded by Bruce Aiello, with all in favor, the Board approved the minutes of the March 28, 2011 Organizational Meeting.**

**Alternative Lake Bank Restoration Options – DRC**

Cosmo DiPerna reported on the handout included in the agenda package. Mr. Bagnall stated the license agreement should not be included in the handout. Mr. Eckert stated the Board should not support the DCDD license agreement as it's currently worded; however language should be included that says “coordination with the DCDD is necessary and a license might be required.” Mr. Bagnall asked Mrs. Jebbia to send out an email and announce this handout is available. Mr. Eckert also confirmed that a cost review should be done since residents will be curious about the cost associated with each installation.

**Committee Reports:**

**Communication Committee**

Mrs. Jebbia recommended revisiting installation of an information board on the west side of the Comfort Station, for use in posting community updates. The cost would be approximately \$500. There was discussion regarding the various styles of information boards available and who would be

responsible for updating and maintaining posted information. The Board supported Mrs. Jebbia's request to research an enclosed information board for \$500. Mr. Bagnall stated the information board should be locked.

### **Social Committee**

Mr. Furia reported on planning for summer community parties. He mentioned he has yet to locate the tables but is still looking. Proposed dates for the events are June 20<sup>th</sup>, July 13<sup>th</sup> or 20<sup>th</sup>, and August 17<sup>th</sup> or 24<sup>th</sup>. Mr. Bagnall noted the events need to be scheduled at low tide if the parties are held on the beach. There was discussion regarding the Social Committee budget and entertainment options for community events. Mr. Furia stated he has members (social Club members) that are willing to serve on the Committee. Mr. DiPerna stated he can assist with Volunteer Recognition Dinner.

### **Design Review Committee**

Mr. Eckert asked about the Design Review Committee's exception to adjust the cash deposit of \$100,000 and raised it as a potential future issue. Mr. Eckert also asked why the DRC would consider allowing an Island Estates home to be constructed outside the building envelope. Mr. Aiello stated the building envelopes on the island is not an absolute. Over the years the Committee has allowed homes to move back and forth based on the positioning of the adjacent homes. Mr. Bagnall stated the DRC's actions must be done within the Covenants and County requirements.

Mr. Houk reported the attorney for the owner at 14 Corte del Mar is no longer representing her. A demand letter will be sent directly to the owner for the violation and she will be given 10 days from the date of the demand letter to cure the violation.

### **Financial Committee**

The Association has not yet received the final year-end audits. Income tax returns were submitted on time. Mr. Bagnall stated he still has an issue with the bad debt allocation. He also asked about smartpasses and that it should not be an expense. The other times of question were the insurance flood/windstorm, general maintenance outside vendors, and general maintenance allocation. Mr. Aiello reviewed the status of collection of delinquent member assessments and reported the Association received two significant delinquent collections. Mrs. Jebbia asked Southern States Management Group to coordinate collection of delinquent assessments for the neighborhood associations with collection action for the Master Association. Mr. Houk reported liens are filed on neighborhood association accounts usually at the same time as the Master Association since the delinquency usually involves both accounts. Mr. Bagnall confirmed the Master Association legal collection is for the Master Association only. Neighborhood Association legal collection will have to contract with an attorney separately.

### **Long Range Planning Committee**

Mr. Eckert reported he recently met with Tom Sharpe of HD Associates. Mr. Sharpe advised the cost of maintaining their assets in the community has been greatly reduced as Southern States Management Group and the Luxury Team of Florida are now leasing the former HD Associates sales building. Mr. Finch reported he has not been briefed on the HD Club meeting with HD Associates; however a meeting is scheduled later in the week to review their position. There was discussion regarding the Master Association buying HD Associates' remaining holdings in the community. By consensus, the Board agreed to wait a little longer before seeking a legal opinion on feasibility of purchasing HD Associates assets.

### **Maintenance Committee**

Mr. Houk reported the Committee identified 2,000 square feet of broken sidewalks. Two bids were obtained for the repair work. One bid was \$12,000 and the other is \$12,500. The contractors confirmed the work will take approximately two weeks.

**ON MOTION BY Kelli Jebbia, seconded by Bruce Aiello, with all in favor, the Board approved a request from the Maintenance Committee to spend \$12,000 to \$12,500 to replace broken sidewalks throughout the Community.**

A pot hole has developed in a 51 foot section on Cordoba Court. Contractors have been asked to inspect the damage and submit bids for the repair. The Board asked Mr. Houk to provide additional information on whether the area should be patched or the entire road repaved, prior to making a decision on the matter. Mr. Bagnall stated he has concerns with P&S Paving since some previously paved sections on Camino del Sol have deteriorated and started to fail. Mr. Bagnall recommended the possibility of hiring a consultant to review the existing damage on Camino del Sol. Mr. Eckert stated the Community should continue their relationship with P&S and consult with them on these issues as well.

Mr. Houk advised the Association needs to obtain an updated wind insurance appraisal. Bid specifications include an appraisal for the gate houses, the Comfort Station, the clock tower, the gazebo and the dune walkovers. The DRC and Maintenance Committees have researched the cost to install a coquina rock wall on Association Common Area bordering the sixth hole of the golf course. In 2009, bids for the work ranged from \$8,900 to \$13,000. The Board asked Mr. Houk to obtain bids for the work

**ON MOTION BY George Bagnall, seconded by Cosmo DiPerna, with all in favor, the Board authorized the Maintenance Committee to install a coquina rock wall on the lake bank next to the sixth hole of the golf course and to refurbish the grounds and landscaping above the wall at a cost not to exceed \$12,500.**

Mr. Houk reported the landscape contractor will remove some of the Bay trees on the common grounds that are dying of an incurable disease. The Association plans to contact the A1A beautification committee to discuss some of the landscape issues that are occurring. A meeting is scheduled with Rapid Security Solutions, who did all of the work for the wireless mesh network. Annual flowers, recently installed in the common area landscape beds look spectacular.

### **Security & Emergency Response Committee**

Mr. Aiello reported on a letter from a resident expressing concern that the ratio of tenants to owners is having a negative effect on the security of the community. The Association will send a letter to the resident advising members of the Committee are willing to meet with her to address her concerns. The Committee asked if there is an appetite for charging the Master Association with sole responsibility for vehicle access control including Island Estates. This course of action would allow the Association to discontinue reimbursing the Island Estates Neighborhood Association \$28,000 per year for operation of the Island Estates gate house and to use the funds to staff the South Gate 24 hours per day. Approval of a super majority of Island Estates residents would be required to make the change. Mr. Houk advised safety code violations will be referred to Mr. Ed Rodriguez in the Flagler County Code Enforcement office. The committee recommended sending a letter to owners reminding them to use the sidewalks instead of walking in the roadways.

### **Maintenance Updates**

#### **Sidewalk Proposal**

This item was discussed during committee reports.

### **Association Updates/Discussion**

#### **Legal Opinion – Erosion Lake San Gabriel**

Mr. Eckert reviewed the legal opinions from Taylor & Carls regarding erosion from Lake San Gabriel and who is responsible. The attorney feels the boundary lines are not based on where the water happens to be but on definitive boundary lines. There are two approaches that can be assumed to allocate liability. One approach is damage from one person's property to another person's property.

The second is common law contract as to not impact from one property to another. Mr. Eckert stated this information provides cause to further investigate DCDD's responsibility. A more specific study is needed to determine HD Associates liability/responsibility since time lapse constraints may be in place. The new surveys will be important in identifying property lines and responsibility.

## **New Business**

### **Vacant Seat Candidates**

Two owners, Gus Mitsopoulos and George DeGovanni have submitted their names as candidates to fill the vacancy on the Board of Administrators for the Waterfront Community representative. Mr. DeGovanni and Mr. Mitsopoulos introduced themselves and made a brief presentation regarding their qualifications. The term of office for the Waterfront Community representative is two years. There was discussion regarding the candidates.

**ON MOTION BY Cosmo DiPerna, seconded by Bruce Aiello, with all in favor, the Board appointed George DeGovanni to the fill Board of Administrators vacancy for the Waterfront Community representative for a term of two years.**

The Board encouraged Mr. Mitsopoulos to remain active in community affairs. Mrs. Jebbia advised her status is uncertain and her position on the Board of Administrators may be available.

### **Chairperson of Maintenance Committee**

Mr. DeGovanni was asked, and agreed to accept the position of Chairman of the Maintenance Committee.

**ON MOTION BY George Bagnall, seconded by Andy Furia, with all in favor, the Board appointed George DeGovanni as Chairman of the Maintenance Committee.**

### **ICONTACT**

Mrs. Jebbia reported that she is having a meeting with Bill Conner to learn more about the iContact software after the Board meeting.

### **Island Estates Rear Yard Maintenance – Abandoned Homes**

Mr. Aiello reported the Island Estates Neighborhood Association has requested the Master Association approve funding to maintain the rear yards on three of the five abandoned Island Estates Neighborhood Association properties for which the Master Association is currently funding landscape maintenance, curb appeal. The Island Estates Neighborhood Association governing documents do not allow the Association to bill owners for the maintenance of vacant and abandoned properties. The Master Association governing documents do allow the Association to bill the owners for landscape maintenance and to attach the cost to member assessments. The Island Estates Neighborhood Association Board of Directors has offered to reimburse the Master Association for the additional cost of maintaining the back yards of the three properties if the Board agrees to the proposal.

**ON MOTION BY Bruce Aiello, seconded by Cosmo DiPerna, with all in favor, the Board approved obtaining a price from Crew Cuts to mow the rear yards of the properties that the Board is already maintaining with the stipulation that the Island Estates Neighborhood Association reimburse the Hammock Dunes Owners Association for the cost of the additional work.**

### **Avenue de la Mer Road Way – Casa Bella Neighborhood**

Mr. Henderson reported Casa Bella Roadway Committee conducted a traffic count. An average of 140 vehicles used the road way during a one week period. The vehicles of most of residents of the Casa Bella Neighborhood Association were not included in the survey as tenants and residents generally exit and enter the community via the north/south and the placement of the counter strips was in the middle of Ave de la Mer. The Casa Bella Neighborhood Association Board of Directors

has approved installing three speed humps, at the Association's expense. The roadway will be striped, and signage may be added. Mr. Henderson requested guidance from the Master Association regarding transferring ownership of the roadway from the Casa Bella Neighborhood Association to the Master Association. The Board asked the Casa Bella Neighborhood Association to conduct a poll of neighborhood association residents to determine their opinion on the matter. Prior to agreeing to assume ownership and maintenance of the roadway the Master Association Board feels a majority of the neighborhood association owners should agree to transfer of roadway ownership and acknowledge they are aware they will no longer have control over the roadway. Mr. Bagnall said now that the Casa Bella Neighborhood voted to install speed humps this changes if the Mater Association accepts the road. A clarification motion should be made stating what the Master Association will and will not accept.

**ON MOTION BY George Bagnall, seconded by Bruce Aiello, with Mr. Bagnall, Mr. Aiello, Mr. Furia, and Mr. DiPerna in favor, and Mr. Henderson, Mrs. Jebbia, and Mr. Eckert opposed, the Board voted to accept the transfer of roadway ownership from the Casa Bella Neighborhood Association contingent upon a vote of a majority of Casa Bella Neighborhood Association owners approving transfer of the roadway and acknowledging all control of the roadway will be the responsibility of the Hammock Dunes Owners Association. The motion carried.**

#### **Audience Comments**

Audience comments were addressed throughout the meeting.

#### **Adjournment**

**ON MOTION BY Bruce Aiello, seconded by Andy Furia, with all in favor, the meeting was adjourned at 12:55 p.m.**