

**Hammock Dunes Owners Association, Inc.
Board of Administrators Meeting
November 15, 2021**

Call to Order:

The duly noticed monthly Board Meeting was called to order by Mike Gill at 10:00 a.m.

Board Members Present: Mike Gill, Margaret Colon, Warren Crooks, Marge Rooyakkers, Hunt Hawkins, Beth Thomas, Lori Comeau, Mike Heller

Board Members Absent: Linda Steggerda

HD Club Administrator Present: Robert Neely

Community Management Present: Travis Houk, Craig Nisbett, Rosie Maisonet Southern States Management Group

A quorum was established. Members' Sign-In Sheet located in Association meeting file.

Approval of Minutes: October 18, 2021

On MOTION by Warren Crooks, seconded by Margaret Colon, with all in favor, the Board approved the minutes of the October 18, 2021, Board Meeting as written.

Hammock Dunes Club Administrator by Bob Neely

Mr. Neely reported the financials are positive. Memberships costs are increasing at the beginning of 2022. There are 716 members with a soft cap of 730. 31 people are on the waiting list. New amenities are coming online next year including two new pickle ball courts, two phases of new lighting, and the Links driving range. Three new Board members will join the Club Board at the first of the year.

Committee Reports

- **Maintenance Committee by Travis Houk**
 - **Vehicular Gate Updates/Upgrades, VOTE**
 - Mr. Houk stated the Maintenance Committee approved the proposal to install barrier chop arms (tail gate arms) at the exit gates per the following (South Gate, Mariners Gate, and North Gate). The Security Committee and Finance Committee have approved the proposal. These gates will be barrier arms on the exit side as vehicles leave the community.
 - **ON MOTION BY Margaret Colon seconded by Marge Rooyakkers with all in favor the Board voted on whether to approve the entire cost of \$36,000, to add barrier arms at the exit side of the South Gate, Mariners Drive Gate, and North Gate. Motion carries.**
 - **Pedestrian Gate Clicker Beach, VOTE**

- Mr. Houk confirmed the Maintenance Committee approved the installation of a pedestrian gate at Clicker Beach.
 - **ON MOTION BY Margaret Colon, seconded by Warren Crooks with all in favor the Board voted on whether to approve \$7,000 to install a pedestrian gate at Clicker Beach. Motion carries.**
 - **Street Tree Trimming Camino del Rey, VOTE**
 - **Granada Estates; San Marco, Anastasia, Via Roma, VOTE**
 - Mr. Houk stated low tree branches need to be trimmed on Camino del Rey. It has not been done in a couple years. He also indicated the tree branches on Granada Estates roads along San Marco, Anastasia, Via Roma need to be trimmed specifically for branches only hanging in the common roadway. The trimming will be up to 18ft.
 - **ON MOTION BY Marge Rooyakkers, seconded by Beth Thomas, the Board voted on whether to approve the quote of \$5,400 to trim the trees on Camino del Rey. Motion carries.**
 - **ON MOTION BY Margaret Colon, seconded by Marge Rooyakkers, the Board voted on whether to approve the quote of \$8,500 to trim the trees in Granada Estates. Motion carries.**
- **Financial Committee by Margaret Colon**
 - **Treasurer's report**
 - Ms. Colon reported the HDOA did receive the \$106,000 tax refund from Flagler County and has been deposited back in the Special Assessment account. Thru September 30th, the HDOA has exceeded legal expenses by 38%. She indicated this is just something to watch.
 - **2021/2022 Audit Proposals, VOTE**
 - Ms. Colon indicated the Finance Committee has recommended to engage Martin & Associates for the 2021 and 2022 Year-End Audit.
 - **ON MOTION BY Warren Crooks, seconded by Beth Thomas, with all in favor the Board voted on whether to engage Martin & Associates for the 2021 and 2022 audit pursuant to their proposal presented to the Finance Committee. Motion carries.**
 - **Hammock Dunes Owners' Association FY 2022 Budget Adoption, VOTE**
 - **Reserve Account Methodology and Contribution Recommendations, VOTE**
 - **DRC Budget Self-funding Approach and DRC Fee Schedule Effective January 1, 2022, VOTE**
 - Ms. Colon reviewed and detailed the highlights and assumptions of the proposed 2022 HDOA Budget. The proposal is to take the HDOA monthly dues to \$190 per month which is a 7.6% increase. Further she presented a DRC net/net budget that will cover increasing administrative and consulting expenses due to complex issues as the community is being built out with new construction and creative additions. Lastly, she indicated DRC review

fees have not been updated since 2008. To keep up with neighboring communities and to cover increasing expenses, DRC application fees are recommended to increase in 2022. The updated fee schedule is presented in the agenda package.

- Mr. Gill reviewed the progress with Olsen Engineering due to a question from an audience member about dune funding. Mr. Gill indicated the reserves are the highest they have been pre-Matthew and once an actionable Beach Management Plan is ready, the Board will review what can be done and may reach out to the Hammock Dunes Community for additional support.
 - **ON MOTION BY Margaret Colon, seconded by Warren Crooks, with all in favor the Board voted on whether to approve the FY 2022 HDOA operating budget (monthly dues at \$190 per month) taking into account the reserve account methodology, the reserve contributions, the DRC self-funding approach and the new DRC Fee Schedule that will go in place January 1, 2022. Motion carries.**
- **Granada Estates Neighborhood FY 2022 Budget Adoption, VOTE**
 - Ms. Colon reviewed the proposed Granada Estates Neighborhood budget. The same assumptions that were identified in the HDOA budget are included in Granada Estates. The monthly dues are proposed to increase to \$61 per month, 10% increase. Oasis is not included in the budget.
 - **ON MOTION BY, Margaret Colon, seconded by Beth Thomas, with all in favor the Board voted on whether to approve the FY 2022 Granada Estates operating budget (monthly dues at \$61 per month) taking into account the reserve account methodology and the reserve account contributions. Motion carries.**
 - **Ocean Estates Neighborhood FY 2022 Budget Adoption, VOTE**
 - **Carino la Mer Budget Adoption, VOTE**
 - **Grande Mer Budget, VOTE**
 - **Playa del Sur Budget Adoption, VOTE**
 - - Ms. Colon reviewed the proposed budgets for the Ocean Estates sub-neighborhoods. Walkover maintenance has been added to the budgets; however the use of the HDOA maintenance engineer provides for a minimal budget expense. Ms. Colon confirmed Playa del Sur has two new walkovers included in their budgeting with the cash available in March 2022. The Board has already approved the walkover contracts. The walkover reserve schedules were reviewed and the current reserve contributions.
 - Carino la Mer is proposed to increase to \$206 per month, which is a 4% increase.
 - Grande Mer is proposed at an 11.9% increase and the monthly dues are tied to the lots that have walkover rights.
 - The recommendation is to increase to \$450 per month, 14.9% increase primarily driven by reserve contributions. Mr. Heller indicated Carino la Mer and Grande Mer is fine as proposed; however requested another week to resolve the Playa del Sur budget given some unresolved questions. By consensus the Board agreed.
 - **ON MOTION BY Margaret Colon, seconded by Beth Thomas, with all in favor the Board voted on whether to approve the FY 2022 Carino la Mer operating budget (monthly dues at \$206 per month) with the related reserve contributions. Motion carries.**
 - **ON MOTION BY Margaret Colon, seconded by Marge Rooyakkers, with all in favor the Board voted on whether to approve the FY 2022 Grande Mer operating budget**

(monthly dues as presented per walkover contribution) with the related reserve contributions. Motion carries.

- **ON MOTION BY Mike Gill, seconded by Margaret Colon with all in favor the Board agreed to recess the November Board Meeting on the Playa del Sur budget and reconvene in a week, Monday, November 22, 2021 at 10am to approve the Playa del Sur FY 2022 operating budget. Motion carries.**

- **Community Planning Committee by Margaret Colon**

- Ms. Colon updated the Board about EZ Voting and confirmed the Committee continues to send targeted communication to encourage owners to register.

- **Communications & Community Relations by Tom Culligan**

- **Website Proposal Live Tour Network Contract, VOTE**

- Mr. Culligan presented the website proposal from Live Tour Network and confirmed the Committee has conducted an extensive review with several website companies and narrowed down the search to one, Live Tour Network. The contractor has been interviewed several times and the Committee recommends for the HDOA to contract with Live Tour Network to develop the new Hammock Dunes website and tablet/mobile phone application.
- **ON MOTION BY Margaret Colon, seconded by Warren Crooks, with all in favor the Board voted on whether to approve the Live Tour Network proposal to build the new Hammock Dunes website and mobile application at a not-to-exceed amount of \$11,000. Motion carries.**

- **Social Committee by Warren Crooks**

- Mr. Crooks updated the Board about the recent Beach party and indicated it was another successful event. He also confirmed due to supply chains and contractor availability, the idea of a Christmas Tree lighting event in Hammock Dunes will be considered for another time and not held in 2021.

- **Security & Emergency Response Committee by Beth Thomas**

- **Establish Emergency Committee**

- Ms. Thomas reported a sub-Committee of Security should be established to implement the Emergency Response Plan.
- **ON MOTION BY Beth Thomas, seconded by Margaret Colon with all in favor the Board voted on whether to establish a sub-Committee called the Emergency Response Committee with the following members; Beth Thomas, Mike Gill, Kevin Porter, Linda Steggerda, Tom Culligan and Travis Houk. Motion carries.**

- **Design Review Committee by Lori Comeau**

- Ms. Comeau confirmed the DRC continues to be inundated with DRC exterior improvement requests. The DRC is reviewing the fining schedule/fine structure and how it can be updated and implemented. This will be presented to the Board for review at their next Board meeting. The Board discussed the makeup of the Committee; specifically if new members should be added. The primary need for the Committee in 2022 is consultants that can assist the Committee.

- **HD Shoreline Management Committee by Travis Houk**

- **Grande Mer Dune Section**
- **Request for HDSMC to assess Olsen BMS; recommend action to the Board for the 1500 lf of critically eroded northern dune, VOTE**
- - Mr. Gill confirmed the Committee is pursuing a permit to do work on the beach. Olsen is providing an assessment per the November 5, 2021 storm.

Association Updates/Discussion

- **November 5th Nor'easter Event**
 - **Olsen Coastal Engineering Proposal, VOTE**
- **ON MOTION BY Margaret Colon, seconded by Warren Crooks with all in favor the Board voted on whether to approve the Olsen Engineering proposal per time/material to evaluate the North Grande Mer Dunes pursuant to the November 5, 2021 Nor'easter. Motion carries.**
 - **Walkover Repairs, VOTE**
 - **HDOA, VOTE**
 - **Ocean Estates, Grande Mer, VOTE**
 - Mr. Houk provided an update about the repair quotes per walkover. There are 4 damaged walkovers, 2 HDOA and 2 Grande Mer walkovers. The repairs average around \$9k per walkover. The contractor is on standby. Mr. Heller stated we are looking at the walkovers in a vacuum. The design of the walkover should not be questioned or attributed to lack of performance but the condition of the dune as it currently exists is what needs to be addressed and if the dune conditions are remedied, the walkovers will withstand a 50-year storm such as Irma. This contention is confirmed by the fact that minimal walkover damage has occurred in areas except where the dune has been eroded. His concern that a design change may set a precedent and future DEP permitting may be an issue for the current design. Mr. Gill indicated there should be choice per neighborhood about what design of walkover is used and the Board should consider what Olsen is proposing. He stated the neighborhood that is financially responsible should have that full array of options. Mr. Heller indicated the choice of a neighborhood should just be coordinated/approved with the HDOA since the dunes and permitting is the responsibility of the HDOA. There was discussion about the JCP permitting and the JCP permitting contemplates a specific dune profile. Mr. Heller indicated a lesser walkover design may have to be removed per the JCP permitting. Ms. Thomas indicated the short-term goal should be just to repair the walkovers to get

North Gate owners to the beach; the longer-term solution or redesigned solution (if necessary) is a different discussion and will be evaluated/vetted at a later time.

- **ON MOTION BY Mike Gill, seconded by Margaret Colon, with all in favor the Board voted on whether to approve the repair of the damaged walkovers pursuant to the review and recommendations from the Olsen Engineering report. Motion carries.**

 - **Sand Fencing, VOTE**

 - **ON MOTION BY Margaret Colon, seconded by Beth Thomas with all in favor the Board voted on whether to approve up to \$18,000 for sand fencing to be administered by the Shoreline Management Committee. Motion carries.**
- **Declarant Administrator Seat Status Update**
 - **Mr. Gill indicated a resolution has been reached per the Declarant administrator seats. The HDOA community will be asked to vote to amend the HD Declaration. The Community will be asked to vote on whether the two Declarant Administrator seats can be voted at large by owners in the HDOA rather than appointed by the HDOA Board. It takes a 2/3 vote from the HDOA owners to amend the Declaration.**

Audience Comments

- An audience member expressed concern about the ripple effects by the new logo and the impact financially on the HDOA. He provided his concerns to the Board in writing.

Adjournment

By consensus the Board agreed to recess the meeting to 10am, November 22, 2021 and the meeting will be a virtual meeting via Zoom. The only item on the agenda for a vote will be the FY 2022 Playa del Sur Operating Budget.

The meeting was called to order at 10am, Monday, November 22, 2021.

FY 2022 Playa del Sur Budget Adoption

ON MOTION BY Margaret Colon, seconded by Beth Thomas with all in favor the Board voted on whether to approve the FY 2022 Playa del Sur budget (monthly dues at \$441) per the support of the Finance Committee and the Ocean Estates Administrator. Motion carries.

Mr. Heller asked Mr. Gill if he could have a few minutes to state his position to the Board about the HDOA Budget as it relates to dune funding.

Mr. Heller stated he is concerned about the lack of funding in the 2022 HDOA Budget for dune repairs and dune restoration. He indicated concern about the annual and on-going contributions and inferred there should be a dedicated line item on the budget as it's the most important resource. He stated pursuant to his email to the Board before the meeting, the Flagler County Army Corp project should be used as an example since they are using a replenish cycle of 11 years. That should be the kind of assessment it would look like if it was funded now using a \$35 to \$55 monthly contribution as a floor for the Natural Disaster contribution.

Mr. Gill agreed setting aside money to address emergency projects and long-term projects is a priority and deferred to Ms. Colon to provide the current financial details. Ms. Colon confirmed there is \$281,000 in special assessment money that is exclusively available for the dunes. There is a combined \$280,000 in Maintenance Contingency and Natural Disaster. At the end of 2022, there will be approximately \$764,000 in dune available money with another \$100,000 potentially available as well in the operating. All of this money is the highest it has been Pre Matthew.

Mr. Heller indicated there should be a \$500,000 to \$800,000 annual contribution for the dunes per year and the ongoing assessment component is insufficient for a responsible approach to what is going to be needed. Mr. Gill stated partners and sources of funding are still needed. There was discussion about what can be done in the interim as partners and funding are identified.

Adjournment

ON MOTION BY Hunt Hawkins, seconded by Margaret Colon the Board Meeting was adjourned at 10:22am. Motion carries.