

**Hammock Dunes Owners Association, Inc.
Board of Administrators Meeting
April 18, 2022**

Call to Order:

The duly noticed monthly Board Meeting was called to order by Margaret Colon at 10:00 a.m. VIA ZOOM and In-Person.

Board Members Present:

Margaret Colon, Linda Steggerda, Shannan Kolbe, Lori Comeau, Greg Davis, Peter Zeigler, Mike Heller (Via Zoom)

Board Members Absent:

HD Club Administrator Present: John Langhauser

Community Management Present: Travis Houk, Craig Nisbett, Lisa Reed, Valerie Steger, Southern States Management Group

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

Ms. Colon confirmed she received the resignation from Ms. Beth Thomas from the HDOA Board of Administrators over the weekend and thanked Ms. Thomas for service and decorum on the Board.

Approval of Minutes: March 21, 2022

On MOTION by Linda Steggerda, seconded by Peter Zeigler, with all in favor, the Board approved the minutes of the March 21, 2022 Board Meeting, the March 28, 2022 Annual Meeting, and the March 28, 2022 Organizational Meeting as written.

Hammock Dunes Club Administrator by John Langhauser

- Nothing new to report.

Annual Meeting Declarant Seats Next Steps, VOTE

- Ms. Colon updated the Board about the Articles Vote at the Annual Meeting and confirmed the vote did not pass since it failed to reach 788 affirmative votes.
 - **ON MOTION BY Margaret Colon, seconded by Linda Steggerda, the Board voted on whether to table discussion on the Declarant Seats until December 2022 and for the remainder of the year the two seats will be vacant. Motion fails with all Board members not in favor.**
 - The Board had discussion about how to achieve the required affirmative vote; citing more grassroots efforts, clarify of message, and drilling down on the e-voting results on who voted and who did not vote. Further, the Board discussed if this should be determined in a closed legal session.
 - **ON MOTION BY Mike Heller, seconded by Linda Steggerda, with all in favor the Board voted on whether to extend the current Declarant Administrator Settlement Agreement until the Annual Meeting in March 2023 and work collaboratively with the Communications Team,**

SSMG, and HDOA Legal to and conduct more community outreach; and commit to have another vote to amend the Articles of Incorporation on or before the Annual Meeting 2023. Motion carries.

2022 Board Committees

- **Committees Structure**

- Ms. Colon reviewed the current HDOA Committee structure and membership. She offered name changes to some of the Committees, recommended the Shoreline Committee be transitioned from an ad hoc Committee to a formal Committee defined in the Bylaws, and proposed two new ad hoc Committees for 2022; Governance and Community Management. The Electronic Voting Committee will remain an ad hoc Committee for 2022.
- The name adjustments are the following: Social Committee changes to Social & Activities Committee, Security & Emergency Response Committee changes to Safety & Emergency Response Committee, Community Planning changes to Strategic Planning & Branding/Marketing Committee, Declarant & Development Committee changes to Community Development Committee.
- The Board discussed the proposed structure and the two new ad hoc Committees. Mr. Heller inquired about the Governance Committee and if it was deemed the same as the work of the current Declarant & Development Committee. He also raised concerns the Community Management Committee may not be objective and encouraged the Committee to remain independent. Ms. Colon indicated the Governance Committee is about processes on how the Board members operate/work together and how Community input should be engaged, incorporated, analyzed, etc. whereas the Declarant Committee should be about new development. She indicated the current management contract expires on December 31, 2022 and a team must be organized to begin the process of an RFP. Mr. Davis indicated the management RFP should focus on a tight statement/scope of work while prioritizing base requirements and desirables.
 - **ON MOTION BY Peter Zeigler, seconded by Linda Steggerda with all in favor the Board voted on whether to introduce the name changes/structure as presented and to appoint the two new ad hoc Committees, Governance and Community Management, for 2022. Motion Carries.**

- **Committee Member Appointment**

- **Design Review Committee**
 - **ON MOTION BY Lori Comeau, seconded by Greg Davis, with all in favor the Board voted on whether to appoint Jonathan Worrall as the Chair of the Design Review Committee. Motion carries.**
- **Maintenance Committee**
 - **ON MOTION BY Margaret Colon, seconded by Greg Davis, with all in favor the Board voted on whether to appoint Linda Steggerda as the Chair and Peter Zeigler as the Vice Chair of the Maintenance Committee. Motion carries.**
- **Finance Committee**
 - **Per the HDOA Bylaws, the Treasurer, Shannan Kolbe, is the Chair of the Finance Committee; no motion is required.**
 - **ON MOTION BY Shannan Kolbe, seconded by Peter Zeigler with all in favor the Board voted to appoint the following owners to the 2022 Finance Committee: David Betsill, Stephen Hastings, Richard Meckler, Greg Davis, & Steve Parks. Motion carries.**

- **Communications & Community Relations**
 - **ON MOTION BY Lori Comeau, seconded by Greg Davis with all in favor the Board voted to appoint Tom Culligan as the Chair of the Communications & Community Relations Committee. Motion carries.**
- **Social & Activities Committee**
 - **There are no volunteers. Ms. Colon will reach out to Susan Porter, current Social Committee member for her thoughts.**
- **Safety & Emergency Response**
 - **ON MOTION BY Linda Steggerda, seconded by Peter Zeigler with all in favor the Board voted to appoint Greg Davis as the Chair of the Security & Emergency Response Committee. Motion carries.**
- **Strategic Planning**
 - **ON MOTION BY Linda Steggerda, seconded by Lori Comeau with all in favor the Board voted to appoint Nancy Geisler as the Chair of the Community Planning Committee. Motion carries.**
- **Declarant & Development**
 - **Per the HDOA Bylaws the President is the Chair of the Declarant & Development Committee.**
- **Shoreline Management Committee**
 - **ON MOTION BY Linda Steggerda, seconded by Greg Davis, with all in favor the Board voted to appoint Mike Heller as the Chair of the Shoreline Management Committee. Motion carries.**
- **Electronic Voting Ad Hoc**
 - **ON MOTION BY Margaret Colon, seconded by Lori Comeau, with all in favor the Board voted to appoint Linda Steggerda as the Chair of the Electronic Voting Committee. Motion carries.**
- **Governance Ad Hoc**
 - **ON MOTION BY Margaret Colon, seconded by Linda Steggerda, with all in favor the Board voted to appoint Greg Davis as the Chair of the Governance Committee.**
- **Community Management Ad Hoc**
 - **There were no volunteers to chair this Committee. The Board will solicit a volunteer from the Hammock Dunes community.**
- **Committee Member Appointment**
 - **ON MOTION BY Linda Steggerda, seconded by Lori Comeau with all in favor, the Board voted on whether to keep the Committee members the same from the previous year or previously approved by the Board. Motion carries.**
 - **ON MOTION BY Linda Steggerda, seconded by Peter Zeigler with all in favor, the Board voted on whether to post a standard calendar of all Committee meetings and their membership. Motion Carries.**

Reopen HDOA 2022 Budget:

- Ms. Colon asked the Board if the HDOA 2022 Budget should be reopened pursuant to a request from the last Board meeting. Ms. Comeau indicated all of the information is not available to properly evaluate a decision on the subject of the Island Estates Gate House and the 2022 Budget. Ms. Comeau stated there should be a legal review to understand what is legally correct before a decision is made. Mr. Heller stated the question is whether the recommendation from the Finance Committee to shift money to cover expenses related to the Island Estates Gate House was the right thing to do and does the Board want to have the discussion. Mr. Heller contends the Board does not have all the information relative to the Island Estates Gate House topic to make an informed decision. The Board had a robust discussion about the whether to open the HDOA 2022 Budget and about whether to have a separate Board meeting to discuss the Island Estates Gate House issue.
- **ON MOTION BY Shannan Kolbe, seconded Linda Steggerda, the Board discussed whether to work as a group to review whether a correction is necessary in the 2022 Budget, taking into account that a security vulnerability study will be done, which will include all neighborhoods and any person or professionals that possess knowledge of the situation. They will be allowed an opportunity to address the issue with the first discussion taking place as part of the May Board Meeting. Motion amended:**
- **Amended by Margaret Colon, seconded by Linda Steggerda the Board will start the process by having meetings with legal counsel and HDOA Board members to make sure everyone is at the same level, as well as reaching out to community members. There will not be a date scheduled to address this issue; however information will be shared fairly and openly with community members in a neutral manner for them to provide feedback and counsel. An update will be provided each month at the Board meeting of the progress, and this will all culminate in the 2023 budget recommendation. Information about the issue from HDOA legal counsel will be provided to the Board before there is any open meeting and a meeting with HDOA counsel will be scheduled with the Board. The motion carries with all in favor with Mr. Heller not voting.**
- **ON MOTION BY Shannan Kolbe, seconded by Linda Steggerda, the Board voted to keep the 2022 budget closed and not reopen it; however, review/address any potential issues with the 2022 budget in the 2023 budget planning process. Motion carries with all in favor except Mr. Heller opposed.**

New Development Updates

- **Oasis Key Terms and Conditions**
 - Ms. Colon stated the Oasis developer has made specific requests as part of the Development Agreement. The requests are outlined below:
 - Oasis requests the assignment of DRC responsibilities to Oasis at Hammock Dunes.
 - **ON MOTION BY Lori Comeau, seconded by Linda Steggerda with all in favor the Board voted on whether to deny assigning DRC rights to Oasis at Hammock Dunes. Motion carries.**
 - **50% HDOA Assessment paid commencing when documents recorded in Public Records, remains in place for up to 2 years for all lots owned by the developer and thereafter reverts to 100% for all lots still owned by the developer; for lots sold/closed new Owner responsible for 100% commencing with closing date.**
 - HDOA Assessments go to 100% if the lots are transferred to a third party. The Board had concerns about whether to agree to this issue since the property has

not been annexed yet. Legal will provide additional review. There was discussion about adding the following language to the development agreement as it relates to assessment payments; “or the earlier of the date of the sale of a lot to a 3rd party or developer.”

- Development Agreement Fee for review of homes, site plans and infrastructure plans and infrastructure plans, ongoing project monitoring and modifications to approved homes/site plans.
 - **The Board discussed negotiating an upfront fee for the Oasis Development. Oasis has proposed not paying anything; zero. By consensus the Board agreed to charge Oasis \$400,000 as a development fee and directed Ms. Colon to negotiate with Oasis.**
- Developer shall provide surety to the HDOA (in the form of either a bond, or irrevocable letter of credit) for the amount of \$100,000.
 - **There is a refundable cash security deposit of \$200K, plus the two completion surety bonds. The Board agreed two surety bonds. One for the infrastructure build and another one for the new homes. The surety bond should be equal to the value of the infrastructure build costs. Since there is a bond with Flagler County, the Hammock Dunes Owners’ Association should be a named insured on the surety bond. Before a final determination is made on the surety bond requirements for the new homes, the Board needs to understand the construction schedule.**
- Construction hours.
 - **By consensus the Board agreed to allow the Oasis contractors to complete the infrastructure beginning 6am, Monday thru Friday and 7am, Saturday. This is pursuant to the contractors entering the property thru the Two Camino Office Parking Lot.**
- Insurance
 - **Ms. Colon provided updated insurance levels to the Oasis Developer. Umbrella policy with \$25 Million/\$25 Million overage is required. The insurance limits were provided by the HDOA Insurance agent. Oasis must meet the limits provided.**
- **ON MOTION BY Margaret Colon, seconded by Linda Steggerda, with all in favor the Board approved the following: \$400,000 impact fee, HDOA Assessments go to 100% if the lots are transferred to a third party, two surety bonds (infrastructure and new homes), construction morning hours as presented, minimum limits provided by the HDOA insurance agent (minimum 25 Million Umbrella/25 Million overage). Motion carries.**

Committee Updates

Ms. Steggerda asked Mr. Houk to set up a meeting to review the north side Lake San Gabriel erosion project.

Association Updates/Discussion

Community Manager Report

Mr. Houk reported the Palm Coast Arts Foundation approached the HDOA about placing a public arts “turtle” somewhere on Hammock Dunes property. An anonymous donor is providing the funding and two Hammock Dunes owners are the artists for the turtle. The turtle will become part of the Palm Coast Arts “Turtle Trail”. Several business and communities in the surrounding area already participate in this public arts movement.

ON MOTION BY Greg Davis, seconded by Margaret Colon, with Ms. Kolbe abstaining and everyone else in favor, the Board voted on whether to collaborate/explore locations to install a public arts turtle on HDOA property pursuant to the Palm Coast Arts Turtle Trail. Motion carries.

New Business

No new business.

Audience Comments

Audience members made comments and addressed the Board about the Declarant seats, DRC/Declarant Tower review, Communication procedures, and the Lennar Development.

Adjournment

ON MOTION BY Peter Zeigler, seconded by Greg Davis, the Board of Administrators meeting was adjourned at 1:48pm