

**Hammock Dunes Owners Association, Inc.
Board of Administrators Meeting
August 16, 2010**

Call to Order

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

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

Hammock Dunes Club non-voting member: Charles Swinburn

Members Absent: Howard Broussard, Tom Sharpe, David Jacobs

Others Present: Fred Annon, Travis Houk, Southern States Management Group, Inc. A quorum was established. Members' sign-in sheet located in Association Meeting File.

Approval of the Minutes—June 21, 2010 Board of Directors Meeting

ON MOTION BY Kelli Jebbia, seconded by Phil Henderson, with all in favor, the Board approved the minutes of the June 21, 2010 Board of Administrators Meeting with the following correction:

- On page 2, under "Island Estates Letter", the word "three weeks" should be changed to "two weeks".

Casa Bella Road: Phil Henderson & Bob Dickinson 10:30AM – Revised Letter

Mr. Henderson and Mr. Dickinson presented updated proposals pursuant to the Board's recommendations from the June 2010 Board meeting. The Tuscany Beach Club access road is incorporated in the cul-de-sac and not obstructed from Ave. de la Mer. The strategy from the Casa Bella Neighborhood is to have Flagler County offer conceptual approval with preliminary support from the HDOA. Casa Bella Neighborhood will then take a vote of their membership to expend the money for the project. The Board discussed changes to the entrance, specifically modification to the "Miami" curbing, landscaping, and layout. Mr. Bagnall expressed concern if the HDOA should approve the project before the Casa Bella Neighborhood approves the project.

ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board approved issuing letter of support for with the following amendments:

"The Casa Bella Neighborhood Association of Hammock Dunes has proposed a conceptual modification to the existing Avenue De la Mer roadway as illustrated in the attached plan. We, the Hammock Dunes Owners Association Board of Directors, as representatives of the entire Hammock Dunes private community, have reviewed the proposal and support implementation of the conceptual plan.

... The proposed cul-de-sac will create a safer traffic pattern and provide additional property which can be used for the enjoyment of the residents.

This will cause the majority of the community traffic to use Camino Del Sol, Camino Del Rey and Camino Del Mar as the interior roads."

Committee Reports:

Communications Committee

Mrs. Jebbia reported databases used for website broadcasting of community information are being updated. The fall edition of the *Sandscripts* newsletter is scheduled to be mailed to owners in October. A blast e-mail will be sent to owners informing them a two week temporary Smartpass gate opener for use by their guests is now available from Southern States Management Group for a \$50 refundable deposit. To improve and compare operation practices and communication programs, Mr. Eckert recommended reviewing the solicitations Board members have received from different management companies. Mr. DiPerna suggested using the community e-mail system to publish the monthly Board Meeting agenda. Mr. Annon advised the agenda is published on the Hammock Dunes link to the Southern States Management Group website the Friday before each meeting. Approved minutes from previous meetings are also posted on the website. Mrs. Jebbia recommended sending owners a monthly e-mail reminding them the agenda is posted on the HDOA website.

Social Committee

Mr. DiPerna met with the Care Bears Volunteer Group. The group has been nominated to receive an award at the annual Volunteer Recognition Dinner. The committee will meet on September 15, 2010 to begin planning the Volunteer Recognition Dinner. The Social Committee is sponsoring a community picnic behind the club house this coming Wednesday. The final picnic of the year will take place by the beach on the third Wednesday in September.

Design Review Committee

There have been no applications submitted to the DRC in the last two months. After repeated attempts to make contact, the owner at 110 I.E. Parkway confirmed the chipped paint (where the lion medallions were installed) will be painted in September.

Financial Committee

Mr. Aiello reported the Association has received FY 2010 draft audit results. Mr. Aiello and Mr. Bagnall will meet with Mr. Annon after the Board meeting to address a few lingering questions; however everything appears to be accurate. Once finalized, copies will be available upon request. One of the Association's Certificates of Deposit matures in September. Owners who are delinquent in paying monthly assessments were contacted via telephone and mail in an on going effort to collect past due balances. There was discussion about the litigation process for units on which the Association has placed liens for non-payment of assessments. Mr. Aiello asked if there was an appetite for the Board to add another property to the collection accounts Taylor & Carls is pursuing. The Board agreed to continue with the current accounts only. Mr. Eckert stated the reserve account on the balance sheet and monthly reserve report did not agree. Specifically, there was not a "PS" designation on reserve account "Lake Bank Erosion" and the account did not appear on the monthly reserve report. Mr. Bagnall updated the Board on his recent conference call with WCI and HD Associates regarding the unit count for Murano. The Financial Committee will review the first draft of the proposed budget on October 7, 2010. Owners will receive notice of a Budget Workshop on October 25, 2010 at which the Board will review the proposed FY 2011 Operating Budgets for the Hammock Dunes Owners Association, and the Granada Estates and Ocean Estates Neighborhood Associations.

Security & Emergency Response Committee

The call box at the Granada Estates gate is installed and working, as of today's meeting. The vehicle access post orders have been revised to allow the staff to change the Granada Estates gate code every four hours, except during the hours of 11:00 p.m. and 7:00 a.m. The Island Estates Neighborhood Association is reviewing proposals to change their vehicle access surveillance cameras at the Island Estates Mariner Drive Gate. As the existing cameras belong to the master association, any changes to the system must be approved by the HDOA. Mr. Aiello will send another letter to the Island Estates Board advising them about the situation.

Long Range Planning

Mr. Eckert distributed a worksheet labeled "Draft 4" to the Board. Much of the data was confirmed by the DCDD voter list. Mr. Eckert reviewed the updated spreadsheet which outlines many community demographic statistics. In summary, there is a difference between 923 from a bottoms up standpoint and 940 on the voters list of full time residents in the community. The projected number of full time residents outside of Hammock Dunes on the barrier island is around 200 people. The data will continue to be refined in an effort to continue to make projections forward. Mr. Eckert presented an Age Profile report. Since the report is in the development stage, he asked the Board to keep it confidential. The median age of Hammock Dunes residents is 68. The Age Profile chart and spreadsheet will be used to make assumptions and projections moving forward. Mr. Eckert stated he would like to continue further discussions with HD Associates regarding the Sales Center closing and their future involvement in the community.

Maintenance Updates:

Lake San Gabriel Sea Wall – Playa del Sur

The Association received three bids ranging from \$160,000 to \$210,000 for installation of a vinyl sheet piling sea wall along Lake San Gabriel. There was discussion regarding the length of sea wall and alternatives for financing the project. Mr. Eckert stated it appears to be more economical to obtain bids for a longer continuous sea wall instead of 3 separate sea walls with a membrane installed between each section. The Committee will obtain cost estimates for installation of 1,600 linear feet of sea wall. The Board will review sea wall bids and funding options at its next meeting. The Board agreed the money should be expensed from the Playa del Sur reserves. Mr. Bagnall stated the Hammock Dunes Owners' Association has a responsibility to ensure Playa del Sur is operating within budget. A letter will be mailed to Playa del Sur owners regarding the cost of the project and its impact on Reserve funds.

Granada Estates Barrier Options

There was discussion regarding three options for a barrier to deter vendors or visitors from entering the exit side of the Granada Estates Gate. Installing a "Keep Right" sign would cost about \$1,000, installing pylons without lighting down the center lane of the road would cost about \$600 per pylon for a total of about \$8,000, and installing lighted pylons in the roadway would cost between \$12,000 and \$16,000.

ON MOTION BY Bruce Aiello, seconded by George Bagnall, with all in favor, the Board approved installation of unlighted pylon posts at a cost not to exceed \$8,000.

Dune Fertilization

A bid of \$6,338 to fertilize the beach dune area is the same as last year's cost.

ON MOTION BY Dave Eckert, seconded by Bruce Aiello, with all in favor, the Board approved the fertilization proposal for the beach dune area.

Walkover Gates

The security committee requested approval to install wooden gates on the Association common dune walkovers located in Grande Mer at a cost of \$972.

ON MOTION BY Dave Eckert, seconded by Bruce Aiello, with all in favor, the Board approved expenditure of \$972 to install two wooden gates on the two common dune walkovers in Grande Mer.

Camino del Rey Palm Trees

There was discussion regarding options for replacing two dead palm trees on the corner of Camino Del Rey and Camino Del Sol. A number of trees located on this corner have died. The cost to remove the dead trees and replace them with new Canary palms that are slightly larger than the ones to be replaced is \$2,200.

ON MOTION BY Dave Eckert, seconded by Phil Henderson, with all in favor, the Board voted to remove the dead trees and replace them with Canary palms at a cost of \$2,200.

Association Updates/Discussion:

Transfer of Sewerage Pump Station Site

Mr. Bagnall reported on the transfer of the pump station from the HDOA to the DCDD.

ON MOTION BY George Bagnall, seconded by Cosmo DiPerna, with all in favor, the Board approved transferring ownership of the pump station from the HDOA to the DCDD as shown in the documents in the agenda package.

Waterfront Community Vacancy

Board Member Greg Franks has resigned his position with WCI and the Board effective immediately, August 2010. There was discussion regarding options for identifying a resident to fill Mr. Franks' remaining term of office on the HDOA Board of Directors. Board Members will recommend candidates for appointment to the Board for consideration at the next meeting.

Villas Marbella Lawsuit

The Association initiated legal action against the owner of 3 Marbella Court, who violated Association rules by painting her residence with a color that is not approved and missing the agreed upon date to repaint the residence. As the owner has not agreed to attend mediation to resolve the matter, the next step in the legal process is to initiate a lawsuit.

ON MOTION BY George Bagnall, seconded by Bruce Aiello, with all in favor, the Board voted to proceed with the lawsuit against the owner of 3 Marbella Court.

New Business

Vines need to be cleared from the fence along Jungle Hut Road. There was discussion as to whether the fence is on HDOA property or Hammock Dunes Club property. The Association has received bids of \$1,500 and \$3,200 to remove the vines by hand and clear a three foot buffer zone inside the fence. The Association will work with the Club on the vine removal.

The Tuscany at Hammock Dunes Condominium Association was unable to garner the vote of two thirds of the members required to adopt amendments to condominium lease rules. The scope of amendments will be simplified and resubmitted to owners for another vote.

Audience Comments

The Board addressed member comments and concerns.

Adjournment

ON MOTION BY Cosmo DiPerna, seconded by Phil Henderson, with all in favor, the meeting was adjourned at 1:15 p.m.