

**Hammock Dunes Owners Association, Inc.
Board of Directors Meeting
August 15, 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, George DeGovanni, Phil Henderson, Andy Furia, Jay Furbay, Cosmo DiPerna, Tom Sharpe (via telephone)

Members Absent: David Jacobs

Others Present: Travis Houk, Fred Annon, Southern States Management Group, Inc.
Don Finch, HD Club Representative

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

Approval of the Minutes – July 18, 2011 Board of Directors Meeting

ON MOTION BY Bruce Aiello seconded by Cosmo DiPerna, with all in favor, the Board approved the minutes of the July 18, 2011 Board of Directors Meeting with the following amendments:

- **On page 3, the second sentence should read “Mr. Aiello reported on the 2010 audit.”**
- **On page 1, under Communications Committee, the second sentence should read “... a male walker volunteer...”**
- **On page 2 under Financial Committee, the motion should read “... voted on whether to be responsible...”**

Long Range Planning Presentation – Hammock Dunes Database

Mr. Dave Eckert and Mr. Jeff Annon reviewed information contained in the Hammock Dunes database. Mr. Eckert stated all the data records for the community have been secured from Flagler County. He explained the data was downloaded in Microsoft Access in its raw form and then synchronized the information in Microsoft Excel. Mr. Annon explained the Committee started with Granada Estates and the Villas since they were the older neighborhoods and had the most historical data. The information was plotted using 5 years of market value and assessed value. Mr. Annon presented several graphs that summarized generational ownership, annual improvements, and transaction detail. Mr. Eckert stated the Committee plans to incorporate the age profile in the database similar to the chart he presented a few months ago. He confirmed the goal by October, as the Board considers the HD Associates transactions and the proposed 2012 budgets, the Board can simulate in a 4-5 year plan using the aging of the community, the number of properties listed, and compare the future sales potential against the historical sales activity. Mr. Eckert stated his hope is the database will not project total revenue but be a tool to assist how we govern; such as make the Community friendly to retired people working from their homes. The detail database should allow the Board to encourage or discourage behavior without violating the Board's authority. He reiterated the database will indicate how the Community should be marketed.

Committee Reports:

Communications Committee

Mrs. Kelli Jebbia asked the Board to submit information for inclusion in the fall 2011 edition of the *Sandscripts* newsletter. The sidewalk committee held its first meeting and assigned committee members routes to be measured and scouted for locations for potential sitting areas. The next meeting is scheduled for August 15, 2011 at 2:30 p.m. The sidewalk committee plans to announce their accomplishments at the final beach party of the season.

Social Committee

Mr. Andy Furia reported the next beach party will be held on Wednesday, August 17, 2011. The last beach party was very well attended and has been successful at the current venue. Nametags will be provided. Musical entertainment was well received, and the Hammock Dunes Club assisted preparations by setting up tables for the beach parties.

Design Review Committee

Mr. DiPerna reported that the DRC received \$5,000 last month in submittal income. 3 new builders have been approved in the past two months.

Security Committee

Mr. Aiello reported the first draft of specifications (reviewed by the Maintenance & Security Committees) have been sent to Securitas for an advanced security camera system. A follow up meeting should take place in the next few weeks. The plan is to maintain the existing system, add cameras with a wireless network near the public beach access points, and update the DVR to an automatic versus a manual backup system. Mr. Aiello reviewed the basic specs including the enhancement of the rover.

The gate officers have been advised of the types of construction vehicles that should be redirected to the South Gate. The Committee distributed a sketch that should help.

New redesigned Smartpass gate transponders have been ordered and the cost is \$45 each. The old transponders will be issued until they run out, and in a few months the new passes will be slowly introduced. The new Smartpass transponder will have an 8 year battery life; however it's larger than the old pass (similar to an e-pass). There was discussion regarding imposing a Community-wide speed limit. The Board also discussed proposed locations.

ON MOTION BY Bruce Aiello, seconded by George DeGovanni, with Bruce Aiello, George DeGovanni, in favor and Cosmo DiPerna, Andy Furia, George Bagnall, Dave Eckert, and Kelli Jebbia opposed, the Board voted on whether to post a 27 mile per hour speed sign at each entrance unless otherwise posted. The motion failed.

Mr. Aiello reported the Committee is still working with Securitas to ensure the visitor guests are being deleted from the CapSure system. Mr. Aiello also confirmed the Clicker Beach gate is being opened by a pole pushing the open button inside the gate. Mr. DeGovanni said the Maintenance Committee will place a cover on the button.

Financial Committee

Mr. Aiello reported updated financials were not included in the package since the numbers are being readjusted to reflect what the auditor and the Board agreed to using the Bad Debt. Also, bank statements have not been reconciled due to the timing of the month. Updated monthly delinquencies have not been confirmed since the deadline is after the 15th which is tomorrow. Mr. Bagnall asked Mr. Houk to review the Johnson situation again since he's overpaid in Granada and underpaid in Hammock Dunes Master.

Mr. Bagnall reviewed the foreclosure agreement between the HDOA and bank regarding Mr. Byers, Tuscany resident. Mr. Bagnall stated since it was a deed in lieu of foreclosure, the law states 12 months; however the Association is due back assessment money from when the deed was signed. Mr. DiPerna stated the Tuscany Condominium Association will fund the difference in assessment money from what's due the HDOA less 12 months regarding the Chan Situation to close the deal.

Long Range Planning Committee

Mr. Eckert asked for thoughts from the Board about finding out who is the entity behind the corporate owned properties. The Board had no objections. He asked Tom Sharpe if he's willing to meet with DCDD regarding the lake bank situation. Mr. Sharpe agreed; however he would have to participate via phone.

Maintenance Committee

Mr. DeGovanni reviewed the maintenance project list. He stated the dead medjool palm tree at the front entrance was removed. The Committee met with an arborist to understand why the trees have died and if it should be replaced. The Committee along with DRC confirmed no additional palm trees were necessary since the oak tree canopy provides a significant buffer. Mr. DeGovanni stated the Committee is investigating on whether to replace the comfort station doors with fiber glass doors. Mr. Sharpe commented on the business sign outside the gates. He said he's not inclined to spend money to reface the sign and referred the matter to Southern States. The A1A billboard buffer fence will be completed in August and then the Committee will move to clearing and removal of the invasive plants and installing a buffer.

Mr. DeGovanni reviewed the Cordoba Court coquina wall replacement. The Board previously approved \$12,000 for the project. The Committee obtained bids from multiple contractors for the east lake bank; however after reviewing the area, the common property on the west side of Cordoba Court requires coquina stabilization. Mr. DeGovanni confirmed VerdeGo is the low bidder and the Association would benefit from some economies of scale by doing both walls at the same time.

ON MOTION BY George DeGovanni, seconded by Cosmo DiPerna, with all in favor, the Board voted on whether to accept the bid from VerdeGo for coquina wall stabilization on both sides of Cordoba Court. The motion carried.

The concrete sidewalk repair in the Community has been complete. The Board asked about the steel cover near the HD Bridge. Mr. DeGovanni confirmed the Committee will investigate a solution. Mrs. Jebbia asked Mr. Houk to keep an eye on weekend trash for the comfort station.

Maintenance Updates:

Rue Renoir Lake Bank Clearing

Mr. DeGovanni presented a price from Corey to clear the vines and remove the invasive plants on Rue Renoir. Mr. Bagnall stated the price appears to be too high especially since there are not many vines and the palmettos are thriving. Mr. DeGovanni stated the Committee will revisit the area with Corey to understand the logic behind their price.

Association Updates/Discussion:

Holland & Knight Opinion Letter

Mr. Bagnall reviewed the opinion letter the Board requested per interpretation of their documents. He confirmed one sticking point is this de facto community membership if the HDOA merged with the HD Club. Mr. Bagnall said the HDOA and HD Associates are a tremendous amount apart from what both parties believe are the value of the assets. Mr. Eckert stated he believes there are big issues the opinion does not identify including class legal action and associated liability. Mr. Sharpe said there is no guarantee someone will not bring a suit; however his hope is to iron out the finer details. Mr. Bagnall said for the HDOA to really do anything, it will require a major approval effort.

Le Jardin Deed Request – Letter

The Board discussed a request from the Le Jardin at Hammock Dunes Condominium Association to issue a quit claim deed to the Hammock Dunes Owners Association for property located behind their building up to the coastal control line. WCI made errors with the deeding of various pieces of property along the dune behind the towers. Mr. Bagnall stated if Le Jardin pays for the survey and quit claim deed paperwork, he would not have any problems with the deed transfer. The piece of property appears consistent with La Grande Provence.

ON MOTION BY Dave Eckert, seconded by Bruce Aiello, with all in favor, the Board voted on whether to review and possibly accept a quit claim deed from the Le Jardin Condominium Association, with all associated costs to be paid by the condominium association, locating the eastern line of the property at the old construction control line, going to the current property line. Motion carries.

Mr. Bagnall confirmed Le Jardin requested an easement with the property and dune walkover. Le Jardin will provide the paperwork and the Board will review the request at their next meeting.

New Business

The DRC and the Maintenance Committee will inspect a dune walkover damaged by lightening to determine the extent of repairs needed.

Mr. Henderson reported Casa Bella has signs on order that will be installed advising people the road is private property.

Audience Comments

An Island Estates Neighborhood Association owner asked the HDOA to expend funds for access control more evenly throughout the respective neighborhoods. The HDOA Board offered to take responsibility for all access control, providing the neighborhood association Boards of Directors pass a motion agreeing to the change. Specifically, if Island Estates would like the HDOA to take on their access control expenses, the Board requested a super majority of their Association approval. The Island Estates owner also requested the land in front of the gate to be maintained by the HDOA. The Board stated they would consider the request.

Adjournment

ON MOTION BY Kelli Jebbia, seconded by Andy Furia, with all in favor, the meeting was adjourned at 1:10pm.