

**Hammock Dunes Owners Association, Inc.**  
**Board of Administrators Meeting**  
**November 21, 2011**

**Call to Order**

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

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

**Members Absent:** Don Finch, David Jacobs, Tom Sharpe

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

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

**Approval of the Minutes – October 17, 2011 Board of Administrators Meeting**

**ON MOTION BY Bruce Aiello seconded by Cosmo DiPerna, with all in favor, the Board approved the minutes of the October 17, 2011 Board of Administrators Meeting with the following amendments:**

- **On page 1, sentence 1, under Long Range Planning Presentation – Hammock Dunes Database, the first sentence should be corrected to read “Mr. Eckert reported that Mr. Jeff Annon...”.**
- **On page 1, sentence 3, under Long Range Planning Presentation – Hammock Dunes Database, the word “graphical” should be deleted.**
- **On Page 1, the second to last sentence under Long Range Planning Presentation – Hammock Dunes Database, should be corrected to read “The final slides in the “tomorrow” section demonstrated future re-sales necessary assuming the owner...”.**
- **On page 1, under Long Range Planning Presentation – Hammock Dunes Database, the last sentence should be corrected to read “...engage additional analysis and scenarios that can be envisioned.”**

**Long Range Planning Presentation – Hammock Dunes Database:**

Mr. Eckert reported in conjunction with Jeff Annon, the Committee constructed a few models pursuant to the negotiations with HD Associates. Mr. Annon stated two assumptions were made when constructing a model for the purchase of the sales center, a balloon payment option and a conventional principal/interest term agreement. Additional assumptions were made regarding rental income, tax bill, and maintenance services. The model calculated a \$2.00 increase in the Master Association monthly assessment. Mr. Eckert confirmed the Committee is reviewing all options including the potential resale of the Sales Center; however the Committee believes the purchase is the priority since it provides control and then the Board can review different options. Mr. Bagnall confirmed the \$2.00 assessment increase is just an assumption. Mr. Eckert reviewed additional assumptions that were made regarding the DCDD connection fees. The Board discussed how the model should be forecasted. Mr. Aiello stated since there is a depressed market and multiple office spaces available, the Committee should take a conservative approach. Mr. Furia said the intellectual property such as the declarant rights should be evaluated closely. Mr. Eckert said he's hopeful this model will be helpful to the three person committee.

**FY 2012 Budget Adoption:**

**Hammock Dunes Owners Association, Inc.**

Mr. Aiello reported the monthly per unit assessment in the proposed FY 2012 Hammock Dunes Owners' Association Operating Budget is \$109, the same assessment amount as 2011. Several expenses were adjusted including increases in the Corey contract and Securitas contract. Mr. Eckert reminded the Board that the 2012 budget may need to be amended as necessary based on the

potential acquisition. Mr. Aiello confirmed the Board can amend the budget with proper notice to the membership and adoption proceedings. Mr. Bagnall indicated a vote will be needed anyway if the Board purchases the HD Associates Assets. Audience member, Mr. Jake Sullivan, made a presentation regarding landscape beautification along the golf course. He asked for a line item in the master association budget for golf course maintenance since all residents enjoy the beautification and value of the golf course. If the golf course deteriorated then all residents including non-club members would lose property value. Mr. Bagnall said the main obstacle with this proposal is that it takes a step towards community membership. Community membership requires a super majority approval and non-club members would be grandfathered. Mr. Bagnall confirmed the HDOA cannot fund private property and the proposal is really not possible at this time. Audience member Rick Hayes asked the Board if the HDOA and HD Club can work together regarding this proposal. Mr. Bagnall and Mr. Eckert said the Board has attempted to have discussions with the Club; however the HDOA has been turned back.

**ON MOTION BY Bruce Aiello, seconded by Phil Henderson, with all in favor, the Board voted on whether to approve the Hammock Dunes Owners' Association FY 2012 Operating Budget as presented. Motion carries.**

**Granada Estates Neighborhood Association, Inc.**

The monthly per unit assessment in the proposed FY 2012 Granada Estates Neighborhood Operating Budget has been increased \$1 per unit to \$48. After reassessing the life expectancy of the roadway, paving funding for reserves were increased. Funding for bad debt has also been adjusted to reflect current costs.

**ON MOTION BY Bruce Aiello, seconded Kelli Jebbia, with all in favor, the Board voted on whether to approve the Granada Estates Neighborhood FY 2012 Operating Budget as presented. Motion carries.**

**Ocean Estates Neighborhood, Inc.**

**Playa del Sur**

The monthly per unit assessment for the proposed FY 2012 Playa del Sur Operating Budget will remain the same as 2011. The reserve accounts are fully funded, and repayment to the HDOA for sea wall installation costs is included in the budget.

**ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board voted on whether to approve the Playa del Sur FY 2012 Operating Budget as presented. Motion carries.**

**Carino la Mer**

There was discussion regarding the proposed FY 2012 Operating Budget for Carino la Mer. Mr. Eckert reported on a small discrepancy between total expense and budget expense. Mr. Aiello confirmed this should be adjusted but it does not affect the assessment amount. There is no increase in monthly assessment from 2011.

**ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board voted on whether to approve the FY 2012 Carino la Mer Operating Budget as amended. Motion carries.**

**Grand Mer**

Mr. Aiello reported there is little change in the budget. There is no monthly assessment increase from 2011.

**ON MOTION BY Bruce Aiello, seconded by Dave Eckert, with all in favor, the Board voted on whether to approve the FY 2012 Grand Mer Operating Budget as presented. Motion carries.**

## **Committee Reports:**

### **Communications Committee**

Mrs. Jebbia asked Mr. Houk to include the budget adoption notices on the website.

### **Design Review Committee**

Mr. DiPerna reported the DRC has approved the construction of two new houses. The Committee has seen a nice increase in new home construction activity at the end of the year. Mr. Bagnall asked about the decision made regarding the painted roof. Mr. DiPerna said the Committee discourages painted roofs but they will not deny a submittal as long as the color is approved.

### **Social Committee**

The committee will schedule the next Volunteer Recognition Dinner in September of 2012. An article will be included in the Spring Sandscripts requesting volunteers.

### **Security & Response Committee**

Mr. Aiello reported the committee will meet the Tuesday after Thanksgiving to finalize the wireless contract and communication links. Mr. DiPerna was asked to attend as a representative of the DRC. The purpose of the meeting is to finalize the details, coordination, and installation of the new cameras and software upgrades.

### **Financial Committee**

Mr. Aiello provided status updates for delinquent accounts currently with the collection attorney. 2 additional accounts were added to the delinquent list for collection attorney Brooks Casey to pursue. Mr. Aiello reviewed the yearly profit and loss statements for Hammock Dunes, Granada Estates, and Ocean Estates.

### **Maintenance Committee**

Mr. DeGiovanni reviewed the maintenance project list and provided status updates. The Cordoba Court coquina walls are complete and the Committee received favorable comments from residents on the street. The Committee solicited an updated bid from P&S Paving to pave Camino del Mar and met with Bob Dickinson to draft a plan to pave the area near the south gate where the gate officers park. Once the plan is ready it will be given to P&S for an updated bid. The Committee scheduled meetings with structural engineers after Thanksgiving and will solicit updated bids for the bridge construction. Committee members met with the A1A Committee and County representatives. In 2012 the planning commission will pave sections of A1A including the area across from the South Gate. County officials did confirm cost sharing with improved landscaping on the A1A strip may be a possibility. The Committee will obtain as-built irrigation plans from Corey. Committee members will continue to engage the all parties on this project. The comfort station new fiber glass doors will be installed after Thanksgiving.

### **Long Range Planning Committee**

Mr. Eckert asked the Board not to cancel the December 2012 Board Meeting. If the meeting is cancelled, he said the Board can just have a Long Range Planning meeting to discuss the current situation with HD Associates and the updated database model.

## **Maintenance Updates:**

### **Corey Contract Renewal Proposal**

Corey Enterprises approached Mr. DeGiovanni and Mr. Bagnall about renewing their contract to extend through 2014. Mr. DeGiovanni reported Mr. Bagnall and he met with Corey representatives to discuss the contract and the new landscape additions including the Island Estates front entry and fourth rotation at the front entrance. Mr. Eckert said the new contract should supersede the old one and begin January 1, 2012. Mr. Bagnall confirmed that was discussed during the meeting and the language must be an error in the contract proposal.

**ON MOTION BY George Bagnall, seconded by Bruce Aiello, with all in favor, the Board voted on whether to approve the Corey Enterprises three year landscape contract proposal with a starting date of January 1, 2012 with no increase in 2012 with the exception of adding addendum A & B for the rotations and Island Estates plant maintenance. In 2013 the price increase will reflect the consumer price index not to exceed 3.5%. In 2014 there will be no increase. Motion carries.**

**Association Updates/Discussion:**

**Sidewalk Committee – AttF (Audubon Trails to Fitness)**

Mrs. Jebbia narrated a slide presentation on plans for signs and mile markers for the community Audubon Trails to Fitness project. Estimated cost for the signage and mile markers is \$7,000. Mrs. Jebbia displayed sample tile plaques that incorporated a green and white background. The plaques have already been approved by the DRC. 7 plaques will be installed at rest locations through the community. Stencil markings will be installed on the bullnose of the curbing as previously discussed with the Board. Committee members will walk the community to finalize stencil locations. Mrs. Jebbia stated she has had some successful conversations with the DCDD to install a sidewalk connection.

**ON MOTION BY Kelli Jebbia, seconded by Cosmo DiPerna, with all in favor, the Board voted on whether to approve an expenditure of \$7,000 to purchase and install mile markers and signs for the Audubon Trails to Fitness project. Motion carries.**

**Negotiation Committee**

Mr. DeGiovanni reported on the 3-person negotiation team (George DeGiovanni, Kelli Jebbia, George Bagnall). The Committee had an initial conference call meeting with Tom Sharpe, HD Associates representative. Per the conference call, Mr. Sharpe grouped the intellectual property and sales center together into one price. There was some discrepancies in what both parties understood from the conference call; however open discussion will continue. Mr. DeGiovanni stated the team approached the HD Club and had a meeting with Denny Vohs, HD Club President. Finally, the team hired an appraiser to issue a report on the Sales Center. The appraiser works with IntraCoastal Bank and the team is comfortable with his experience. The next step for the team is to meet with the DCDD and ask what they believe the value of their portion of HD Associates assets. Mr. Bagnall said any numbers offered from HD Associates must be placed in writing as the data is gathered. Mr. Eckert stated now that the Club deal is closed the team should ask HD Associates for a time period of exclusive negotiations. The Board discussed the possibility of bringing in another investment group, i.e. "Friends of Hammock Dunes." Mr. Eckert stated the Board should not let this negotiation drift for a year. Mr. Aiello stated the Declarant rights should be the main focus of the team.

**13 San Marco Update**

The Association has taken title to the property at 13 San Marco Court. A hearing is scheduled January 27, 2012 on a consent judgment. The Association's attorney, Taylor & Carls, will attempt to get a pre-settlement to avoid going to court. The interior of the house has been cleaned. Mr. Aiello stated Mr. Houk will have a mold and termite inspection performed. The Board was presented with quotes to repair and replace the pool screen enclosure. Mr. Bagnall said a plywood top can be installed over the pool and then the pool can be filled.

**ON MOTION BY Dave Eckert, seconded by Cosmo DiPerna, with all in favor, the Board voted on whether to install a plywood top over the swimming pool at 13 San Marco Court and to delay other decisions regarding property repairs until after the January 27, 2012 court hearing. Motion carries.**

**New Business:**

**Porto Mar Neighborhood Association Deed & Easement**

The Porto Mar Neighborhood Association requested an easement for their Association's dune walkover that reflects the language in the HDOA's documents. Mr. Eckert said this is the first example of a double easement. Mr. Bagnall said the main incentive is to get the property turned over.

**ON MOTION BY George Bagnall, seconded by Andy Furia, with all in favor, the Board voted on whether to approve granting an easement for the dune walkover when the Porto Mar Neighborhood Association turns over the rights to the property to the Master Association. Motion carries.**

**Audience Comments:**

A home owner who attended the meeting stated he enjoyed the meeting and appreciated all of the information made available at the meetings and the Board's diligent work.

**Adjournment**

**ON MOTION BY Andy Furia, seconded by Bruce Aiello, with all in favor, the meeting was adjourned at 12:40 p.m.**