



January 26, 2017

Homeowner's Meeting

EC Members in attendance:

Frank Eichstadt, Dennis Grounds, Ken Sherwin, Grahame Gay, Paul Boswell, Mike Lewis

Properties represented: twenty-nine (29)

Location: Clear Lake Shores Community Center

Call to order **1830** by F. Eichstadt

### Welcome and Introduction to Topics

Prior to the meeting an agenda was distributed; one modification was identified. Specifically, the proposed bulkhead requirements revision vote would be postponed until the summer meeting. Additional work was needed, including the modification of the language used. On this topic, and generally, input was welcomed from the community.

### Treasurer's Report (D. Grounds)

Two handouts were distributed and discussed:

1. 2016 Budget vs. Actual was discussed
  - a. Two (2) notable exceptions were identified: bulkhead expenditures and additional cost for the street project
  - b. The above exceptions resulted in a difference of (\$47,488.91)
2. 2017 Proposed Budget was presented
  - a. Bulkheads and Drainage budget was increased to \$6,500
  - b. Other line items were brought to the levels of previous (2016) expenditure
  - c. Vote to approve 2017 passed by clear majority (by show of hands)

A volunteer was requested to perform a budgetary audit. Tom and Pam Sharkey volunteered for this task.

### Introduction of Proposal for Annual Assessment Increase

The discussion of an annual assessment increase was led by F. Eichstadt. It was noted that in years without an event (natural disaster, large construction project, etc.) we gain approximately \$10k. However, in years with these events we lose money; if we have 2-3 years with events, we could be insolvent. Comparable neighborhoods were discussed, and example expenditures were presented (road surfaces, PVC bulkhead cost, canal dredging, etc.).



The proposed annual assessment increase is from **\$0.03 per square foot to \$0.04 per square foot**, and will be brought to vote at the July Homeowner's Meeting to be placed in effect for **January 2018**.

Points of discussion from the topic:

- The question was asked if there are discretionary items that are non-recurring. The reply was 'yes', with dredging given as an example. The point was made that we are a 'canal community' and that this would fall into this category.
- F. Eichstadt discussed the East Bridge, and his communication with the office of Darrell Apffel (Galveston County Commissioner). He noted that their office has performed an evaluation of the bridge and identifies it as 'satisfactory', a 5-6 on a scale of 0-9. This does not assess the condition of the bulkhead underneath, which has been noted to be degrading and showing signs of soil separation and erosion. The point was emphasized that the bulkhead would need to be replaced when the county performed any bridge repair/replacement. This was noted as another example of the importance of having funds available so that the bulkhead repair could be coordinated with the bridge repair.
- The question was asked whether we could offer a 'special assessment' as an option (opposed to the rate increase), and whether this option had been investigated. The reply was that all options are welcome to be presented at the July meeting. It was noted that special assessments are most often for a specific purpose.
- It was also noted that the proposed increase is not intended to eliminate the implementation of special assessments in appropriate circumstances.

Architectural Report (J. Johnson)

- Since the last meeting, one house (29 Lazy) had been approved for an elevation increase ('lift').

*Introduction of Proposed ACC guidelines for Shade Structures*

A document was drafted and distributed to the community that provides guidance on the construction of shade structures within the area of a homeowner's yard between 15 and 20 feet from the canal. The details were presented by J. Johnson, and the topic was discussed amongst the homeowners.

Proposed guidelines define acceptable parameters for proposals seeking ACC consideration. Noncomplying proposals shall be denied consideration. ACC consideration of compliant proposals shall include consultation with neighboring property owners whose input may influence the ACC's acceptance or denial of proposal as submitted or as modified through negotiation. Such consultation shall involve full disclosure of plans for the proposed project including any negotiated modifications. Projects shall not be initiated prior to final ACC approval. ACC decisions regarding acceptance or denial of proposed projects shall be final and binding.

Points of discussion from the topic:



- The guidelines are intended to provide quantifiable characteristics of shade structures that can be used as justification for variance acceptance by the ACC;
- Point of Order Discussion: the question arose whether this topic should have been included on the absentee ballot. Follow-on discussion asked whether the ACC rules are a component of the Rules of Order; the final determination was made that the ACC rules can be approved by a 50% vote by homeowners present.
- A motion was presented to delay the vote on the topic until the July meeting. A vote was cast by show of hands and the clear majority voted to reach resolution (i.e. hold the vote).

A motion was called to vote on the topic (JT) and seconded (K. Sherwin) and the **guidelines were adopted**. The vote count was 8 'neah' and 19 'yeah' votes (one vote per property for those present).

#### Bulkhead Committee Report (J. Thomas)

Proposed Bulkhead Requirements Revision to the Rules of Order were introduced. In summary, the document provides replacement wording to identify what projects will qualify for reimbursement. The vote to accept the new wording was postponed until the July meeting in order to modify the language used.

JT also noted that he has identified a new piling contractor that he would recommend. Interested parties should contact JT directly (281-222-3449).

#### Topics from the Floor

Grahame Gay emphasized that the assessment increase was equivalent to an inflation/cost of living increase.

#### Results of EC Election

The paper and absentee ballots were tallied and all **incumbents were reelected** by unanimous decision.

The meeting was adjourned at **2008** by F. Eichstadt