

HARBOUR WATERWAY SPECIAL DISTRICT
WEDNESDAY, JUNE 27, 2012
MEETING MINUTES

Introduction

The Harbour Waterway Special District (HWSD) meeting of the Board of Supervisors was held at the Regency Public Library, at 7:00 PM on June 27, 2012. The meeting was called to order at 7:00 PM by Chairman, William Hibbard. In attendance were Robert Birtalan, Robert Schleef, William Hibbard, Stanley Pipes, and Paul Stroup, as well as HWSD attorney Wayne Flowers. Kathryn Boucher was present as recording secretary. It was noted that there was a quorum present.

Public Hearing

Public Hearing to Adopt Resolution for the Harbour Waterway Special District Non-Ad Valorem Assessment for 2012 – Stanley Pipes explained the procedure for the public hearing. The proposed 2012 assessment levels are as follows: residential parcels will be \$2,000, easement parcels will be \$1,000, and the marina will be \$4,000. The floor was opened to public comment.

Charles Imm has lived in Harbor Island for 18 years on a marsh front property. He is not a member of the Harbour Waterway Association (HWA). The boat slip associated with his property is 10 lots away from his house. He submitted a letter to the board in which he disputes the proposed \$1,000 assessment for his easement parcel. Charles uses the square footage and the number of households with access to the marina to suggest that the assessment of the marina amounts to \$48 per household, which is disproportionate when compared to the easement properties. He proposes an amendment for easement properties to be assessed \$250.

David Regan lives next to Charles Imm and also has a canal access easement. He is not a member of the HWA. He states that he has no rights or owned property on the canal. Since he has only limited access to his easement, he believes that the proposed \$1,000 assessment is unfair.

Jacques Guske lives on the canal in Harbor Island, across the street from Charles Imm. He stated his support of Charles Imm's amendment proposal. Jacques asked for the methodology for assessment rates to be explained. Stanley Pipes answered that the easements are being assessed at 50% of the residential parcel rate.

Charles Imm read a letter from Chad Grimm, which was submitted to the board. Chad has a marsh front lot with easement access. He is not a member of the HWA. He cites the Harbour Island covenants, which express that canal lots are subject to assessments. As his is not a canal lot, he believes that he is not subject to the assessment. Easement holders do not have same rights as canal parcels, which includes access to utilities. Assessment should be proportionate to use of the canal. Chad agrees to contribute \$250 in the assessment.

Mike Brande stated that when he was president of HWA, there were non-payment issues with some of the same residents who are currently disputing the assessment. At that time it was not an issue of utilities. Taxes are assessed by the city, not HWA. Homeowners have the option to give up easement.

Bob Birtalan asked what easement owners would feel is fair to pay. Charles Imm responded that the covenants do not require him to pay, but he is willing and would be happy with \$250. The board has photos of Imm's slip (provided by Stanley Pipes). David Regan agreed that \$250 is fair. David does have utilities at his dock because he runs them from his house.

Stanley Pipes clarified issues of HWA vs. HWSD; those who did not believe that they were members of the HWA are now members of HWSD. In the future easement holders will have full HWA rights since there will be no dues for the HWA going forward. It was a matter of the wording of the HWA covenants that caused easement holders to not think that they were members. There are no specific restrictions against easement holders bringing utilities to their slip.

Charles Imm stated that his attorney advised that he has no rights to dig on the easement property without permission of the home owner. He has not addressed the issue with the current property owner.

As there were no further comments from the floor, a motion was made to close the public hearing at 7:28 PM; motion passed.

The meeting was turned over to Stanley Pipes.

Administrative

Approval of minutes from June 12, 2012 - Motion to accept the minutes as presented; motion passed.

District Business

Dredging Permit amendment to use Bartram Island as the spoil site – Due to the permit transfer from the HWA to HWSD, the permit is now being re-examined. William Hibbard met with the Corps of Engineers, who requested drawings and labels which will be delivered on Friday. The board is also working on reassigning the easement at the breakwater to HWSD for insurance purposes. Mike Brande presented a copy of the original permit. Paul Stroup had generated the needed drawings for the Corps of Engineers.

Financial

Resolution to Adopt Non-Ad Valorem Assessment for 2012 – As proposed, it is \$2,000 for residential parcels, \$1,000 for easements, and \$4,000 for the marina.

Amendments to the proposed Non-Ad Valorem Assessments – The property appraiser declared the marina tax exempt. Harbour North Park Association has offered to voluntarily pay \$4,000 to the HWA, which will fund the administrative obligations going forward.

Stanley Pipes proposed new levels of assessment for the easements: the 3 easements which are adjacent to parcel 14 would pay \$500, Regan and Davis would pay \$750, and the 2 full access easements would pay \$1,000.

Robert Birtalan wanted all members to pay same amount, since there are too many variables between members to be fair. He accepted the compromise to have easements pay 50% of the residential parcel rate; \$250 is unrealistic.

Paul Stroup stated that the people on the canal don't all boat, but they still all pay the same dues. Easement owners get a good value when compared to the costs of a commercial marina. Stanley Pipes clarified that Harbour North Marina slip members pay \$600/year dues plus had to purchase a 99 year lease which cost over \$10,000, which is more than the suggested \$48/member. Paul believes that \$500 would be fair for all easements.

William Hibbard explained that the marina has a pre-existing contract, although it is probably undervalued. William thought that limits of the assessment set by city are too low. The canal must be navigable for anyone on the canal to have any value. William would agree to a minimum assessment level of \$500 for easements.

Robert Schleef pointed out that \$1,000 a year is \$83 per month which is great value.

The floor was opened to public comments to the amendments.

Mark Doris asked if easement rights can be amended. Stanley Pipes explained that rights are granted by the property owner of the easement and are not governed by the HWA. Robert Birtalan offered to facilitate discussions on easement issues.

Mike Brande suggested that easements provide much more value than \$250, based on properties for sale in the neighborhood. Docks and power can be rented from other homeowners.

There was discussion on the point that easement holders have the right to give up the easements.

Thomas Lueders stated that easement holder Regan should be paying \$1,000, since use is comparable to a waterfront property.

Cindy Hudson asked what the easement holders who are current in their dues have been paying. Stanley Pipes answered that 2 households have paid \$1,200 per year for the last 3 years, \$750 prior to that. Cindy doesn't agree with easements paying any less than precedence dictates.

Mark Doris asked for clarification on the fees collected by the marina. Stanley Pipes explained that the payments go to Harbour North Park Association. Harbour North members pay dues to have access to

the boat launch, but only 6 households have slips. Mike Brande explained that the park association enhances the value of the canal for all of Harbour Waterway.

Stanley Pipes made a motion to approve Resolution 2012-06, Non-Ad Valorem Assessment for 2012 as amended: all residential parcels are assessed at \$2,000, the marina at \$0, the easements holders Bingham, Grimm, and Imm at \$500, Davis and Regan at \$750, and Vongsay and Archer at \$1,000; motion carries 3 to 2, with nays from William Hibbard and Robert Schleef. Motion passes.

District Schedule

End of fiscal Year for the District: June 30, 2012

Annual Audit & Minutes Due to City Council: July 13, 2012

Date of Public Hearing & Meeting to Adopt Rules of Procedure: Hearing scheduled for July 24, 2012

Other Business

Legal and Compliance Issues – There are no new issues to discuss this month.

Other Business – Regarding registration for the newsletter on the HWSD website, the email carrier Comcast.net is not working. It is being worked on. HWSD.org will be used for posting of minutes, resolutions, newsletters, and meeting agendas.

The annual 990 IRS tax return was provided to HWA board members. The official tax roll from the property appraiser was also provided.

Adjournment

The meeting was adjourned at 8:09 PM. The next monthly board of supervisor meeting is scheduled for July 24, 2012.

Respectfully submitted,

Kathryn Boucher
Recording Secretary

Stanley H Pipes, Jr.
Secretary / Treasurer