

MINUTES OF MEETING OF BOARD OF DIRECTORS
FLAMINGO ISLES MUNICIPAL UTILITY DISTRICT
OF GALVESTON COUNTY, TEXAS

THE STATE OF TEXAS §
COUNTY OF GALVESTON §
FLAMINGO ISLES MUNICIPAL UTILITY DISTRICT §

The board of directors (the “Board”) of Flamingo Isles Municipal Utility District of Galveston County, Texas (the “District”) met in special session, open to the public, at Floyd’s on the Water, 1301 Harborwalk Boulevard, Hitchcock, Texas, on February 13, 2015 at 2:00 p.m.; whereupon the roll was called of the directors, to-wit:

Jane O. McKenzie, President
Ronald Ray Holley, Vice President
Arnold J. Cross, Jr., Secretary
Michael L. Andries, Treasurer
Mac DeLaup, Assistant Secretary

All members of the Board were present, except Directors Holley and Cross. Also attending all or portions of the meeting were Mr. Marcus Michna of Shelmark Engineering, LLC (“Shelmark”), engineer for the District; and Ms. Marian Cross, District resident.

Notice of the meeting was posted in accordance with law at the locations and at the times shown on Exhibit “A” attached hereto. The meeting was called to order at 2:09 p.m. and the following business was transacted.

1. **Public Comments.** The Board recognized Ms. Cross, who inquired as to the reason for changing the meeting time from 4:00 p.m., as was originally scheduled, to 2:00 p.m. She stated that personal matters should not take priority over the District’s scheduled meetings. A copy of the written comments are attached hereto as Exhibit “B.” The Board stated that Ms. Cross’s comments will be noted for consideration at the next Board meeting.

2. **Engineer’s report and authorization of capital improvement and maintenance actions.** The President recognized Mr. Michna, who presented to and reviewed with the Board the Engineer’s report, a copy of which is attached hereto as Exhibit “C.”

Mr. Michna reviewed with the Board the annual Bulkhead Inspection Report, a copy of which is attached to the Engineer’s report. Mr. Michna highlighted needed repairs that are consistent with the District’s priorities and draft operating budget for the fiscal year ending March 31, 2016, a copy of which is attached hereto as Exhibit “D.” He stated he had reviewed all property owner emails regarding bulkhead issues and had verified the reports. Mr. Michna noted that problem areas are included in his report. The Board agreed with his recommendations for repairs.

Mr. Michna reviewed with the Board his recommendation for dredging the East Channel, a copy of which is attached to the Engineer’s Report. He recommended dredging a width of 40 feet from the Harborwalk Main Channel to the Intracoastal Canal, to a depth of 8 feet, for a total

cost under the budgeted amount of \$110,000. He noted the project would serve the needs of the community, including Harborwalk Marina. Upon motion by the Director DeLaup, seconded by Director Andries, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the engineer to prepare plans and advertise for bids on the East Channel Dredging Project. The engineer noted that he will publish the advertisement in the Galveston Daily News from February 17th through the 24th, and present bids for award of the contract at the Board meeting on March 6, 2015.

Mr. Michna reported that he is preparing a budget and plan for Bulkhead Cap repairs. He noted that he had received a bid to repair all 11 miles of bulkhead caps. The Board asked to review a plan that would break up the repairs over a period of several years. Mr. Michna noted he will prepare a plan for review at the next meeting.

Mr. Michna presented to and reviewed with the Board an invoice in the amount of \$10,132.62 from Marine, Inc. for bulkhead repairs, a copy of which is attached to the Engineer's Report. Mr. Michna presented to and reviewed with the Board an invoice in the amount of \$5,773.80 from Marine, Inc. for dredging, a copy of which is attached to the Engineer's Report. It was the consensus of the Board to approve the invoices and authorize payment.

Mr. Michna presented to the Board a request to increase the budget for discretionary bulkhead repairs by \$3,000 for a total of \$8,000. Upon motion by Director DeLaup, seconded by Director Andries, after full discussion and the question being put to the Board, the Board voted unanimously to approve an increase in the discretionary bulkhead repair budget by \$3,000 for a total of \$8,000.

Mr. Michna reported that he had not received any requests for New Construction or Pre-Construction Lot Inspections.

The President reported that the Guidneys (18 Largo) submitted renderings for their pool design to the Design Review Committee (the "DRC"). The current design will encroach on the District's bulkhead easement. Mr. Michna reported that he met with Mr. Guidney and his pool designer and informed them that the District will need structural plans for the pool and an executed copy of the Consent to Encroachment agreement to consider approval. It was noted that pool construction is subject to the same inspections required for new developments.

Director Andries stated that the DRC informed Mr. Guidney that they would not approve the plans until all MUD approvals and necessary paperwork had been completed and submitted for review. Mr. Andries noted that he will confirm that the Guidneys know to coordinate with the District Engineer to submit all necessary documents and finalize the Consent to Encroachment Agreement.

3. **Confirm next meeting date.** It was the consensus of the Board to schedule the next regular meeting for Friday, March 6, 2015 at 1:00 p.m.

4. **Other Matters.** There were no other matters to come before the Board at this time.

THERE BEING NO FURTHER BUSINESS to come before the Board, the meeting was adjourned.

* * *

The foregoing minutes were passed and approved by the Board of Directors on May 8, 2015.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

