FAQ's about our circulation pipes (updated 4 Nov. 2004)

Here are some answers to common questions about the circulation pipes. This is a living document and will change over time. The sole purpose is to provide information and bring everybody to a common level of knowledge. While every effort has been made to insure accuracy, this is not an authoritative document and ultimately must yield to the Army Corp of Engineers and the PCCOA's Covenants and Restrictions. Any errors are pretty much my fault. Sections changed in this update are highlighted with an asterisk..

Please note that all improvements will be presented to the residents, and must be approved by the Board of Directors. Any expenditure greater than $10,000 must be approved by the general membership. No changes have been authorized at this time (4 Nov. 2004), and all modifications and improvements are subject to approval by the appropriate regulatory authorities.

-Tracy Villareal,
103 Bay Court
President PCCOA,

Why do we have the circulation pipes?

During the design of Pelican Cove, Marine Creek (the developers) applied for a permit to dredge the canals. The controlling authority was, and still is, the Army Corp of Engineers. The permit application had extensive public comment and review. As a result of the comment and feedback, the Corp authorized the canal development (permit #16639). However, the circulation pipes were required as a condition of the permit. Three of the circulation pipes were optional in the sense that they were only required if the oxygen content dropped below a critical level of 3 parts per million. However, the developer put them in as well since retrofitting the pipes after homes were constructed would have been very expensive.

Why are we responsible for them?

The Army Corp of Engineers permit #16639 requires the following:

General Conditions of the permit state (item h) "that the permittee shall maintain the structure or work authorized herein in good condition and in reasonable

accordance with the plans and drawing attached hereto.

Special Condition L (page 3A): That the permittee shall include in the terms of the Homeowner's Association agreement the following: "The Homeowners Association shall have the responsibility for compliance with all the terms and conditions of Department of the Army Permit Number 16639." This pretty much puts us on the hook for General Condition h. In addition, the drawings and schematics of the canals attached to the permit indicate that the Homeowners Association will provide periodic cleaning of silt from the pipes.

Section 8 of the C&R's states:

8.1 Canals and Channels. The Association shall improve, maintain, repair and otherwise care for the canals and channels within the subdivision, and any other property dedicated to the public within the subdivision which is not being maintained by a public entity.

In 2001, the PCCOA formally transferred the Corp permit from Marine Creek to the PCCOA. Prior to this, the PCCOA was in the peculiar position of being responsible for maintenance and repair, but the legal authority to actually dredge and repair was vested in Marine Creek. The PCCOA also now owns the land under canal.

How many pipes are there?

There are 6 pipes that connect the canals and marina area (commonly referred to as The Puddle) to the exterior. In addition, every finger canal has a pipe that runs under Pompano Street and connects the east and west canals. A map of these pipes can be found in the Association's office in the Chamber of Commerce building on Goodnight.

What is wrong with the pipes?

A survey done by Shiner-Mosley and presented at the 2000 annual meeting identified a number of problems with the circulation pipes. The pipes are constructed of galvanized steel that has rusted extensively in many areas. Several of the internal pipes have already collapsed, and it seems likely that others are on the edge. The Association was advised in the report that collapses in the pipes under Pompano could create some problems either in houses adjacent to them or on the street itself.

***Why do they need to be repaired now?**

The decision when to replace or fix the pipes is completely ours. Like any structure, periodic maintenance and repair is required to keep them in good condition. It seems clear that the internal pipes under Pompano are the greatest immediate problem. Several of them have collapsed in the past at significant cost to the Association. In addition, in the past few months a sinkhole at the end of Bay Street has developed that suggests that the three large pipes connecting the east canal to the open bay are now compromised. As build out in the community continues, it will become more and more difficult to access and repair potential problems. It makes sense to do it sooner rather than later. We have been advised by two engineering firms that a potential for significant structure damage exists to house adjacent to internal pipes.

The Army Corp of Engineers has the authority to require compliance with permit. As noted below, it could cost 1-2 million dollars to fully restore the system to the original permitted condition. We would bear the cost of doing this.

***Do we really need them to maintain water quality?**

Until recently, this was unknown. The development has never existed without them. The estimates provided the Army Corp of Engineers during the permit application suggest that a one-foot tidal range will exchange about 19% of the water in the canals. This included an estimate that approximately 3-4% of the total water volume in the canals would flow through the circulation pipes, or about 1/6 of the exchange volume. An independent engineering study of the condition of the pipes indicated that the detailed studies required to validate this estimate could cost several hundred thousand dollars, and might yield no useful information. As a consequence, we really don't know what contribution the circulation pipes make to water quality. Since the pipes are part of the permit that allowed Pelican Cove to be constructed, they must be retained in some form, or the permit must be amended to allow changes.

In Spring, 2004, the Board authorized water quality testing to determine the current status of the canals in preparation for a series of planned closures to determine the necessity of maintaining all the external pipes. The studies conducted during the summer indicated a serious water quality problem already existed. The Army Corp of Engineer was notified of the violations during a series of meetings with them, representatives of the Board, and Mercer and Associates

(engineering firm). The Corp determined that we are in technical violation. Our proactive approach has, I think, resulted in considerable leeway with them as we try to resolve the situation.

***What is currently being done?**

Over the years, various actions have been taken although none have ever been brought to closure. In 2000, a report on the condition of the circulation pipes was presented by Shiner-Moseley,(an engineering firm) at the Annual Meeting. Raymond Stone obtained a slip lining estimate from a local firm for the internal pipes. Subsequent to that, a canal committee (Villareal, Hargrave, & Champion) was formed that discussed repair options with RVE, Inc. Some options were presented at the 2002 December Social (see below). The canal committee dissolved in Spring 2003 and was replaced the President (T. Villareal) and Vice-President (J. King) meeting with Mercer and Associates, another engineering firm. They initiated meetings with Mercer and the Corp that were later continued by Villareal and I. Walters (current VP).

RVE, Inc presented a plan that would duplicate the existing pipes so as to meet the spirit of the permit (both interior and exterior pipes). This would involve slip lining external pipes and replacing the internal pipes with a series of pipes joining a main feed line under Pompano Street.

Mercer and Associates has been the most helpful in aggressively considering alternatives to the current circulation pipe configuration. John Mercer has proposed a plan that would ultimately close all but two of the external pipes, and all of the internal pipes. Two pumps would be installed in the knife gate boxes that would deliver approximately 20 million gallons of water per day into the canal system from Barrow Channel (between Pelican Cove and Bay Harbor. This would exchange the water in the canal system in under a week, with the water exiting the Seagate. This has the added benefit of flushing debris out of the canal system (seagrass and fish carcasses), and flushing Ransom Channel as well. The pumps will be designed to be accessible for routine maintenance and can be turned off when not needed (about 1/2 the year).

During the Fall of 2004, meetings were held with the Army Corp to explore the options for implementing the plan. We obtained information on the procedures to follow for this. The tone of the meetings was very positive.

The external pipes and the water quality problem must be addressed before the

internal pipe issue can be dealt with. Until we assure the Corp that we are meeting our water quality standards, there is no point in trying to get permission to close the internal pipes. Thus, the problem is two-pronged. 1. fix our current water quality problems, and 2, then fix the internal pipe problem. They must be done in that order.

***How much will it cost?**

We have estimates for very different approaches. The slip lining option for only the internal pipes was bid at $175,000; however, the probability of the project costing that little seems low. None of the engineering firms we approached felt it was a reasonable estimate. Moreover, there was a clause in the bid that allowed for unlimited charges for unexpected circumstances. The multi-phased approach proposed by RVE, Inc. that would close the internal pipes, replace a number of the exterior pipes, and change the configuration was estimated to cost slightly less than one million dollars. It could cost much more, perhaps up to 1-2 million based on factors that could not be determined until the repairs begin.

Mercer's plan for installing pumping systems and closing 4 of the 6 external pipes is estimated to cost about $300,00-400,00. This is the approach favored by the Board. Exact numbers cannot be given due to several uncertainties including the amount of pipe that will require slip-lining and the condition on the galvanized pipes under Dolphin /Bay Street.

***How will the Association pay for this?**

The PCCOA has about $150,000 in funds for this at the moment. We have the option of borrowing money, levying special assessments against each lot for raising the balance, or some combination of the above. We have already had a special assessment of $250 per lot for the water quality studies leading up to this point. Of that amount, approximately $25,000 have been spent. There may also be state or federal monies available as grants; however, none have been identified at this time. According to Jim Price, San Patricio county has no funding for this project. Any expenditure greater than $10,000 requires approval by the PCCOA membership. The plan by Mercer will require an assessment of approximately $1500, depending on the final bid. This bid will be in-hand before the assessment valuation is presented to the membership for a vote.

*** How deep can we maintain our canals?**

Modifications to the Corp permit in 16639 (02) state that the finger canals can only be maintenance dredged to 4 feet below mean low water (MLW), and the main canals can be maintained at 6 feet below MLW. Maintenance dredging is permitted by the Corp permit and requires only minimal approval.

***Why wasn't I told about this when I bought my house/lot?**

All deeds are required by the permit to have a clause that binds the owner to follow the terms and conditions of Army Corp Permit 16639. Even if your deed does not, it is included by the C&R's that govern all lots in the subdivision. The Covenants and Restrictions are supplied to all new owners upon request of the title company unless they waive this information during closing. The C&R's have been posted on our website since 2002. Verbal communications from Army Corp representatives to me indicate that do not get involved in supervising installations. They consider the details of the circulation pipes (material, longevity, etc) to be a matter for the individual purchasers to evaluate before purchasing in the area. In short, you buy into it, you own it. Caveat emptor.