

WEST GALVESTON ISLAND PROPERTY OWNER'S ASSOCIATION

MINUTES OF THE BOARD OF DIRECTORS MEETING

November 20, 2004

The meeting of the Board of Directors of the West Galveston Island Property Owners' Association, Inc. was held on November 20, 2004 at the Galveston County Club. Jerry Mohn, President, called the meeting to order at 9:10 a.m. Directors Wanda Greer (Terramar), Al Birdwell (Bermuda Beach) and Jerry Mohn were present. A quorum of Directors was not present. For voting issues a vote by an e-mail meeting will be taken.

WGIPOA corporate sponsors, Bert Fineman from Sand 'N Sea Realtors, Peggy Zahler from the Johnson Space Center Credit Union, and Gary Greene from Gary Greene Realtors were introduced.

The October 16 Minutes were reviewed. Motion by Al Birdwell, seconded by Wanda Greer, the Board approved the October minutes by vote of Directors present and by email vote taken on November 24 and 29, 2004.

Al Birdwell gave the financial report. WGIPOA has \$20,679 cash on hand. Major expense during the month was a balance due for the Galveston County Beach Erosion Task Force political consultant of \$6,993.

Motion by Wanda Greer, seconded by Jerry Mohn, the Board approved the financial report by vote of Directors present and by email vote taken on November 24 and 29, 2004.

Program: Brandon Wade, Director of Public Utilities for the City of Galveston reviewed the Master Drainage Plan and the water and sewer projects for the West End.

Drainage: Currently the City is waiting for a \$6 million engineering design for the \$75-90 million Master Drainage Plan for the City with \$7 million for the West End. This is expected to be completed late December or early January. Brandon advised the City cannot fix the drainage, only mitigate it and channel away the water. The cost of the engineering study has delayed the 2nd phase of bond program for sewers for Bay Harbor, Sea Isle, and Terramar. During the last City administration, the City approved of a \$53 million revenue bond program that would be implemented with five phases. The first phase was approved for \$13 million for expansion and construction of the Terramar treatment plant. The next four phases would be done each year in \$10 million increments, each one with City Council approval. The first \$10 million increment was to be in bringing sewers to Bay Harbor, Sea Isle, and Terramar.

During the recent budget cycle, the current City Administration considered drainage as the primary concern for the Island and they want full implementation of the Master Drainage Plan and to do it all at one time. The money for the Plan would come from increasing the water rates. For example, the benchmark 5,000 gallon bill would go up \$7 per month the first year, another \$7 per month for the second and third year. The \$5 of the first year \$7 per month will be used to pay for the \$6 million engineering design work for the Master Drainage Plan.

As a result, approval of the \$10 million revenue bonds for Bay Harbor, Sea Isle, and Terramar sewer project will be delayed probably until the next budget cycle in 2005. Brandon also advised the cost for construction of the sewers for the three subdivisions is now estimated at \$12 million with the design cost at \$1 million. Brandon mentioned the project could be started sooner if the current City debt obligations are restructured and he will coordinate with the financial advisor to see if this is possible. There are unique

problems in bringing sewers into the subdivisions and the City will have meetings with the property owner associations to review the situation.

Ditch Cleaning: Brandon advised the City has been negligent for years in cleaning ditches. As a result, sand filled the ditches and vegetation grew in the area. The problem is the grown over ditches could be considered a wetland by the US Army Corp of Engineers. The question is if the City can dig out these ditches.

The City receives many requests to clean ditches. Brandon advised the City no longer considers individual homeowner requests for ditch cleaning. If you clean in one area, you could move the problem to another area. Localized ditch cleaning in a subdivision is no good and the City now requires a homeowner's association request. It can be very traumatic because if the ditch cleaning is done correctly the property at the end of a ditch that drains to the Gulf could be 4 to 5 feet deep. Brandon mentioned there are no solutions to ditch cleaning and a very difficult problem to solve. There has to be a balanced drainage program and he will come out to a homeowner association to review and describe the problem. The TEXDOT elevation of FM 3005 will help some of the drainage from the Gulf to the Bay with new culverts and out flow ditches in key drainage problem areas.

Jamaica Beach: The water tower at Jamaica Beach will be elevated on a concrete pedestal. A new 12 inch water line will be installed from the Jamaica Beach water plant to Pointe San Luis beginning in January, 2005. Until the new water line is constructed, no new significant development can be platted west of Jamaica Beach.

Terramar Treatment Plant: The engineering design work is in the final phase of completion and construction should begin in February, 2005. The City is negotiating with Isla del Sol to purchase property from FM 3005 to the treatment plant to build a roadway directly to the plant. The current roadway to the plant through Terramar will be torn up for the expansion and replaced. The trunk main will be built down FM 3005.

Sewers: The City program is to take all properties off septic tanks. However, there are some locations that cannot be economically justified to bring sewer lines to the home and this will be a policy decision for City Council. Homes in these areas will be the last to have sewers. Nine mile road and Ostemeyer is on the list to receive sewers. Once an area has sewer lines, you will connect. There is a municipal ordinance and city code that requires connection and the homeowner can be fined, \$500 each time. The cost to connect was discussed and a property owner from Sea Isle at the meeting indicated the cost to tie in to sewer and to shut down and fill in the septic tank was \$1200 total. Brandon mentioned when a home is ready to connect to sewer to get bids from the contractors.

It was also mentioned that the City does not regulate septic tanks and this is handled by the Galveston County Health District. If there is an odor problem with a septic system, please call the Galveston County Health District.

Water Meters: There are currently 21,000 water meters in the City and it takes approximately one month to read them all physically. With the new electronic water meters, which are in the process of being installed, it will take 1.5 days with 6 people to read them, a tremendous cost savings.

City Manager Meeting: Jerry Mohn discussed the City Manager meeting on November 3 with the WGIPOA Board of Directors and specific property owner associations. The meeting was a huge success and the results are posted on the website at WGIPOA.com. The most significant event was to learn the number of police officers patrolling the West End has been increased from 7 to 10.

PID: The WGIPOA facilitated a PID meeting on November 5 with Sue Darcy of Knudson & Associates as

the speaker. The interested subdivisions that are evaluating a PID as a finance vehicle to fund shoreline restoration projects exhausted all possible questions on issues and concerns. It is now up to the interested subdivisions to pursue the PID and to obtain the necessary signatures and cost estimates.

GIVRMA: Bert Fineman of Sand 'N Sea reported the Galveston Island Vacation Realtor Management association will be preparing a standardized form for property management companies in what is expected from renters.

ASBPA: The Texas Chapter of the American Beach & Preservation Association has been formed with Jerry Mohn as the President. The Washington D.C. based ASBPA has been in existence since the late 1920's and all coastal States, including the Great Lakes, belong. The new chapter will learn from experiences in what other States are doing in shoreline restoration projects, and how funds are obtained from the Federal Government. The purpose of the TSBPA is to preserve, restore, and protect the shorelines of the Texas Coast for future generations to enjoy by bringing together individuals, coastal professionals and academics, property owners, government entities, and groups in finding solutions.

The goals of the TSBPA will be to encourage and educate the public and various levels of government on the importance of the Texas shoreline in terms of economic, environmental, social, and aesthetic values.

There being no further business to come before the Board, the meeting adjourned at 10:45 a.m.
