

WEST GALVESTON ISLAND PROPERTY OWNER'S ASSOCIATION

MINUTES OF THE BOARD OF DIRECTORS MEETING

December 16, 2006

Jerry Mohn, President, called the Board of Directors meeting for the West Galveston Island POA to order at 9:05 a.m. Directors making up the quorum were Jerry Mohn, Peggy Zahler - Spanish Grant Beach, James DeFord – Spanish Grant Bay; Marie Garrett – Bermuda Beach, Steve Magee – Isla Del Sol, Sidney McClendon – Pirates Beach and John Schiller – Acapulco Village. Marty Baker advisory to the Board was present. Susan L. Gonzales – Acting Secretary (CKM Property Management).

Corporate Sponsors Peggy Zahler with Johnson Space Center Credit Union and Marie Garrett with Beach Restoration were acknowledged.

Newly elected Galveston County Commissioner, Pct 2, Brian Lamb, was recognized as well as Juan Pena, Galveston City Council Member, and District 3. Former District Judge Norma Venso was recognized and she was present at the meeting to represent one of the newer members of the WGIPOA, the Sportsman Road POA.

Besides being a City Council member, Juan Pena was also the former President of GAIN (Galveston Alliance of Independent Neighborhoods) and advised the group he is there to listen and act on Jackie's for District 6 area until a new member is elected. The group appreciated the offer.

Ivan Arcenoux representing senior citizens and Maggie Somers from East Beach Association was also present. Ivan reviewed some of the State programs and other areas.

Minutes were sent by email and reviewed by the Board. Upon motion duly made by Peggy Zahler and seconded by John Schiller, the following resolution was adopted by unanimous vote.

RESOLVED THAT, the minutes of November 18, 2006 were approved as presented.

Financial Report

Marie Garrett gave the financial report. Cash on hand \$14,692, total assets: \$16,592 outstanding liabilities \$0 and net equity at \$16,592. Upon motion duly made by Peggy Zahler and seconded by Steve Magee, the following resolution was adopted by unanimous vote.

RESOLVED THAT, the financial report was approved as presented.

District 6 Galveston City Council Member Jackie Cole: Jerry Mohn introduced Jackie Cole. Jackie is leaving the City Council. Jackie Cole stated that her husband has taken on a new assignment with the Houston Chronicle covering Galveston. Since Jackie and the Houston Chronicle feels this is a conflict of interest, she resigned effective December 18.

Jackie Cole proceeded to provide an update on activity with the City of Galveston. On December 15, the City of Galveston annexed MUD 1. For Pirates Beach & Cove property owners can call either the City or MUD office concerning trash pick up. There will be a transition period for owners to change their trash service to the City of Galveston. Once the owner changes they will need to contact the City, the City will bring out a trash can for their use and will pick up trash on Monday. The emergency Public Works number is 409-766-2115 and for Trash Public Works Dept calls 409-737-5461.

According to a vote taken by MUD 1, the 2006 tax rate was set a zero and there will be no taxes for 2006. MUD 1 left over \$1 million in cash to be used to pay off specific contracted projects. One project involves an increase in the discharge from the Sewer Plant that will be used to water the Galveston Country Club Golf Course and any residuals into the Bay, which the TCEQ in Austin is reviewing. The Laffites Cove Nature Society is involved with the discharge discussion.

Based on the annexation of Pirates Beach & Cove, property owners will be eligible to vote in 90 days in City elections and issues. Jackie Cole's position will not be filled until a special election in May 2007. With the absence of Jackie and the vacancy now of City Council member Mark Hoskins, the City of Galveston Council may have a problem obtaining a quorum at City Council meetings, which 4 are required and there are only 5 members. The City is checking with State law to see if a special election can be accelerated prior to May of 2007.

If you want to view the City Council agenda's go to www.CityofGalveston.org. The agenda's are available on Tuesday before the meetings. City Manager Steve Leblanc requested TxDot to put the elevation of FM3005 in the 2007 Budget

Jackie Cole stated that there is a Grass Ordinance, which allows a homeowner to only mow their grass once a year. The owner must apply for a permit and must provide a management plan using native plants and flowers; and must post an approved sign. The drainage areas must be mowed.

Jackie Cole stated her contributions to her term while on the City Council included, saving the trees on Broadway, the Geohazard map, reducing the heights of hi-rises on the west end, the water & sewer project, the West End Land Use Policy Committee in how best to preserve the west end for future generations, and reviewing the Comprehensive Plan again to bring up to current and future standards. The Geohazard map will show overlay zones where critical habitat and wetlands need to be preserved. The Geohazard map is one of the first type done in the U.S. and Dr. Gibeaux made a presentation to the Planning Department on 12/7.

Jackie indicated the WGIPOA has been an advocate for the west end with City Manager meetings, addressing City Council, and handling special issues and concerns for the POA's. She also mentioned that everything is now in line for sewers to be installed throughout the west end in some point in time. Although the construction was budgeted, the traffic light at Cove View Lane and FM 3005 is now on hold since a recent traffic study indicated it was not warranted.

Jackie indicated the future for the City is one day there will be a "No Smoking" ordinance and for the west end a no discharge of firearms. She will continue to be an environmentalist and activist.

Windstorm Insurance: Otie Zapp, President of the Galveston Windstorm Action Committee, thanked the WGIPOA for its support. The report from the 80th Legislative Joint Committee with Amarillo Senator John Smitty as the Chair on rate increases for windstorm insurance was not positive and Otie stressed the importance of supporting the GWAC. The Joint Committee would like to remove the current rule changing it to using Texas experience as a rating system.

In addition, the Texas Windstorm Insurance Association (TWIA) would like to purchase larger reinsurance premiums in the event of catastrophic storm disaster rather put money in trust funds to earn higher interest. Otie mentioned that 1/3rd of all premiums paid to windstorm go to paying for a 1 year re-insurance policy or approximately \$55 million. Otie advises to do away with this practice and to put the funds into a reserve trust fund. If TWIA did this from their inception after Hurricane Carla, the trust fund would be over \$300 million.

Sunset Cove – located across from Sandhill Shores is installing an 18000 gallon propane tank since the Gas Co. could not install gas lines. It will be buried $\frac{3}{4}$ in ground and landscaped. The WGIPOA Board will meet with Sunset Cove and Sandhill Shores to discuss options. The major concern is if the tank can withstand storm surges, similar to a Katrina one that hit Mississippi and Louisiana.

Coastal Impact Assistance Program - Energy Bill: The 35% portion of the \$60 million going to the Texas Coastal Counties include projects now for the \$1.5 million West Island Bay Marsh restoration project since Isla Del Sol opted out.

80th Legislative Session Agenda – *Cepra Bill – 5th cycle, *Coastal Protection & Improvement Bill for shore protection projects, *Fee on real estate sales transaction fee, and property tax revenue cap's Bill.

Voter registration – if a family has a second home in Galveston, it is recommended that one spouse vote here while the other votes in the main domicile area. A vote in Galveston means more here than in Houston, Dallas, etc.

Trust for Public Land – Sidney McClendon – looking at a green print of the west end of the island in preserving the natural resources and beauty for the public interest. Need a team to review the issues to look at the preservation of environmental areas and water quality.

Parks Board of Trustees: Jeri Kinnear – trustee of Galveston Island Parks Board - stated there will be three (3) new parades a Mardi Gras next year, "Art Cars", "Vroom" (Motor Cycles), and "Fine Trucks". Clear Channel Communications is a sponsor and attendance should increase with their contacts and visibility. The carnival that was held on Landry's property will be moved to Menard Park next year. Landry's wanted more money.

Jeri stated that since Landry's books Conventions the Board has not had access to the computers and is working to resolve this issue. The Parks Board would rather mediate than litigate.

Pirates Beach & Bay Foundation: Jeri Kinnear is also the President of this organization and reported that the Pirates Beach & Bay Foundation is working on two (2) beneficial dredge projects with Isla Del Sol and Bay Harbor for the CIAP program. PBBF is also working with MUD 29 for the Hike & Bike Trail from 11 Mile Road to 13 Mile Road. PBBF will be looking to do a fund raiser at the beginning of the year. PBBF is also looking at a name change to reflect the west end of the island.

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