

WEST GALVESTON ISLAND PROPERTY OWNER'S ASSOCIATION

MINUTES OF THE BOARD OF DIRECTORS MEETING

February 17, 2007

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; Steve Magee – Isla Del Sol, Tom Boothe – Condominium, Marie Garrett – Bermuda Beach, John Schiller – Acapulco Village, Sidney McClendon – Pirates Beach, and Mike McCully – Pointe San Luis. Susan L. Gonzales – Acting Secretary (CKM Property Management).

Corporate Sponsors Peggy Zahler with Johnson Space Center Credit Union; Marie Garrett with Beach Restoration; Mike Brown with Silverleaf Resorts; and, David Murphy with CenterPoint Energy. Other members and dignitaries recognized were Juan Pena – City Council Member District 3, Jeri Kinnear – Galveston Island State Parks Board Trustees, Gordon Morris – GARM, and, Brandon Wade - Director of Public Works for the City of Galveston.

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

RESOLVED THAT, the minutes of January 20, 2007 were approved as presented.

Financial Report

Marie Garrett gave the financial report. Cash on hand \$6,355.60, total assets: \$11,851.69. Dues will be mailed in April 2007. Upon motion duly made by Tom Boothe and seconded by Mike McCully, the following resolution was adopted by unanimous vote.

RESOLVED THAT, the financial report was approved as presented.

City Council Report by Juan Pena

Under the 2003 Sewer Bond Fund the project status is as follows:

Terramar Plant Trunk Main and Plant Lift Station- the contractor is EP Brady, the Lift Station structure is complete, waiting on electrical, a 36-inch gravity sewer has been installed, Drainage culverts set under access road, there is a power pole located in the middle of the access road that must be moved, currently waiting on CenterPoint to relocate power pole located in access road right of way, grading for access is currently being done and completion of project is currently being done.

Terramar Beach Wastewater Treatment Plant, Phase 1 - contractor—Allco Construction, 500,000 gallon per day replacement Wastewater Plant, plant has been started and trials are going well. There is an issue with power coming from CenterPoint that must still be resolved, final Change Order was approved by Council on 12/28/06, complete acceptance of plant expected in April 2007 and old plant is expected to be removed April 2007.

2006 Water Bond Funds

Jamaica Beach Elevated Storage Tank and Pump Station - TCEQ has issued the OK to

begin the project, advertise for bids in February 2007 (final changes being made to plans and specs), award contract in April 2007 (estimated) and construction likely to begin in June 2007—18 months (est.)

West End Water Pressure Control Valves - design is complete and has been approved by TCEQ, advertise for bids in February 2007 (final changes being made to plans and specs), award contract in April 2007 (estimated), construction likely to begin in June 2007—6 months (est.)

Development Capacity Enhancement—Design Only

- **Isla Del Sol Elevated Tank—Design Only**
 - The project was formally referred to as the **Sunbird Beach Elevated Tank**.
 - Council awarded design contract to Dannenbaum for \$253,150.00 on July 13, 2006
 - Notice to proceed mailed August 17, 2006
 - Survey and environmental research is complete
 - Design is underway
 - Estimated plan submission to TCEQ for review August 2007
- **16-in Line FM 3005 from 13-Mile Rd. to Jamaica Beach**
 - Council awarded design contract to Dannenbaum for \$193,814.05 on July 13, 2006
 - Notice to proceed mailed August 17, 2006
 - Survey and environmental work complete
 - Work has begun and the estimated completion date is June 2007.

2006 Sewer Bond Funds

Terramar East Trunk Main (to east of Sea Isle) - council approved the contract on September 28, 2006, pre-construction meeting was held on November 17, 2006, bore under 3005 complete, approximately 200 feet of 30" sewer line has been installed and estimated date of completion is September 2007.

Sea Isle Subdivision Sewer and Fire Lines Status - the easement issue on Kennedy Drive between Mason and San Jacinto is ongoing, north side of 3005 between Ector and San Jacinto has congestion issues within the TXDOT ROW, above listed items have been removed from this portion of the project and will be addressed once the easement issue has been resolved. bid opening January 25, 2007, estimated award of contract February 2007, estimated start of construction May 2007.

Terramar Beach Subdivision Sewer and Fire Lines - design is nearing completion. estimated bid date is March 2007. and estimated construction date June 2007.

Bay Harbor Sewer Projects -

- On March 9th 2006, the City Council authorized the designer to separate the project into two construction packages.
- **Bay Harbor Subdivision Lines**
 - The Bay Harbor Subdivision Lines section is being reconsidered for alternative sewer technology (vacuum sewers or grinder pumps) due to the lack of adequate right-of-way in the subdivision.

- Analysis of the alternates study indicate that the City should pursue the acquisition of the required easements in this area
- **Bay Harbor FM 3005 Trunk Main and Lift Station.**
 - A parcel of land must be acquired for the lift station site. The appraisal has been completed, and an offer to purchase is expected to be sent in by the end of January 2007. Preliminary discussions with the seller indicate a positive response.

FY 2006 Drainage Improvement Account

West End Drainage Preliminary Engineering (In-House)

- Preliminary Engineering Reports are completed for the following areas:
 - Sunny Beach / Henderson Hole
 - Viable recommendations have been approved and have been implemented
 - Playa San Luis Subdivision
 - Much of the subdivisions' concerns are actually requirements from the initial platting of their subdivision for wetlands protection.
 - Viable recommendations are being implemented with the Pointe West Subdivision improvements. The Pointe West contractor has cleaned out a drainage swale between the Laguna San Luis subdivision and the Pointe West subdivision
 - Spanish Grant Beach Side
 - In cooperation with the Property Owners' Association, the property owner's "buy off" on the project has been solicited. The Spanish Grant Property Owners' Association cannot acquire revised drainage easement signatures.
 - Alternatives are being considered.
 - Kawakawa Beach / Gulf Palms / Acapulco Village
 - Another property owner meeting was held on January 5, 2007 to discuss complaints regarding the temporary solution.
 - TxDOT has formally rejected a plan to close a crossing pipe under FM 3005.
 - A proposal for additional drainage plan work has been requested from Claunch and Miller.
 - Ostermeyer Rd. / 9-Mile Road Area
 - A draft report for this area has been completed. Work on the final report is being prepared.
 - Crash Boat Basin / 103rd Street / Sydnor Drainage and Tidal Flooding: A draft report for this area has been completed. Work on the final report is being implemented.

West End Drainage Preliminary Engineering (Consultant)

- Includes Terramar Beach, Sea Isle, and Teichman Road
- Preliminary Engineering first draft has been completed by Claunch and Miller, Inc., of Houston

Searching for Capital Construction that can be primarily done with in-house forces and that are environmentally sensitive.

FY 2006 Streets and Drainage Industrial Development Corporation

Antascosa Key (Sea Isle) Raising / Reconstruction

- Design is 100% complete. A Drainage Easement is required for this project and is being requested from the property owner.
- Project is ON-HOLD pending separation from the 51st Street investigation (in total project bundle).

11-Mile Road—FM 3005 to Steward Road Widening

- Design is 100% complete
- Corps of Engineers approval has been formally given.
- Requires land swap completion that is currently in progress

- Project is ON-HOLD pending separation from the 51st Street investigation (in total project bundle).

LONE STAR BIKE RALLY

Representatives of the Lone Star Rally have asked the city to provide a letter stating that the City of Galveston is planning to issue them a permit to host the 2007 Lone Star Rally in Galveston, the first weekend of November 2007, to begin on Thursday, November 1st through Sunday November 4th. They basically want to use the same "footprint" for the event as they had for the 2006 event. In addition they would like the city to allow them to sell beer in the Seawall Entertainment District as they did during the 2006 event.

STATEWIDE HURRICANE CONFERENCE

The State of Texas will be holding their Annual State of Texas Hurricane Conference in Galveston May 8-10, 2007. The State is also considering signing a three-year agreement with the Convention Center. If the agreement is signed, the City of Galveston would be the site of the conference for the next three years.

STATEWIDE HURRICANE EVACUATION AND SHELTERING EXERCISE

The City will be participating in the Statewide Hurricane Evacuation and Sheltering Exercise to be conducted June 4-8, 2007. The purpose of the exercise is to improve the ability of the State to respond to hurricanes along the Gulf Coast. Certain focus areas will be emphasized in specific evacuation areas. The focus task for Houston-Galveston is traffic management and fuel plans.

HURRICANE TOWN MEETING

The Annual Hurricane Town Meeting will be held on Wednesday, May 30th at the Island Community Center. The first monthly meeting with the stakeholders will be on Tuesday, February 27th at 9:30 A.M.

HEIGHT AND DENSITY DEVELOPMENT PLAN

The Planning Division has completed the development of a Request for Proposals for a Height and Density Development Plan. As noted in the attached RFP, the City is asking for responses from consultants, quasi-governmental agencies, non-profit organizations and educational institutions.

The Height and Density Development Plan includes a "visioning" task, which will require public

involvement and associated meetings. Staff anticipates changes to the Zoning Standards as the Height and Density Development Plan is finalized. As certain tasks are completed, data will become available for use in the review of Comprehensive Plan steering committee. Additionally, the Planning Division is completing a recommendation for zoning amendments associated with the recently annexed areas of MUD 1, which will need to be included in the update to the Comprehensive Plan. In conjunction with the described projects, Staff is nearing completion of the Accela Software implementation, which is expected to warrant procedural changes, as well as provide useful statistical data relating to growth within the City.

Therefore, in order to allow the above-described projects to be included in the update to the City's Comprehensive Plan, Staff anticipates scheduling the first meeting of the Comprehensive Plan Steering Committee for June 2007. Staff will be notifying all appointed members of the projected schedule and encouraging members to review the current 2001 Comprehensive Plan prior to the first meeting.

POLICE DEPARTMENT UNIFORM CRIME REPORT (UCR)

Crime is down in the City of Galveston. It is the lowest since UCR records began being kept in 1979. Attached are figures from 2005-2006. The overall total is the lowest since UCR record-keeping began in 1979.

Uniform Crime Report	2005	2006	% change
Murder	9	4	-55.5
Rape	91	123	+ 35
Robbery	173	168	- 2.9
Agg Assault	227	283	+ 24.6
Burglary	694	636	- 8.3
Theft	2590	2322	- 10.3
MV Theft	420	344	- 18
Total	4204	3880	- 7.7
Other reports	2005	2006	% change
Narcotic	838	723	- 13.7
Prostitution	60	35	- 41.6
Financial Crime	346	322	- 7
DUI	82	91	+ 11
Drunk	750	650	- 13.3
Disorderly C	467	421	- 9.8
Runaway	267	253	- 5.2
Missing	158	134	- 15
Assault	1447	1274	-12

To contact Mr. Pena email JuanPena@CityofGalveston.org.

Galveston Association of Rental Managers (GARM):

Officer Gordon Morse with GARM stated he is gearing up for Spring Beach and handling the Mardi Gras. At this time they are being watchful of rental property and any issues.

CenterPoint Energy – David Murphy report

Pointe West will have a new sub-station, plan is to be completed by March and the temporary station at Jamaica Beach will be removed. All replacement poles have been set with concrete poles; the casing is 30'

deep and encased in concrete. The wiring is being changed out for one with a steel core with two circuits. This \$12 million project will make a significant difference in outages and control voltage. The cost of the poles is between \$75,000 to \$80,000 per pole. All poles replaced will be concrete.

CenterPoint is the delivery of power. For selecting the provider go to powertochoose.com. For service problems call 409-765-4086. Also for the City of Galveston contact: publicworkscityofgalveston.org for Brandon Wade.

Silver Leaf Resorts – Mike Brown

Seaside Resorts is installing a sand sock, all the sand excavated will be placed on the beach, and the sand for the sock will be imported. The dunes will be re-seeded and vegetated. Construction will involve 600 linear feet of beach and the cost is approximately \$250,000. There are future plans to build three buildings on the beach, total 38 units. The new buildings just completed on the bay side are classified as Presidential Buildings and more luxurious than the current buildings. There are no plans for a marina on the bay side.

Mike was asked to be sure to shield all lighting as it is blinding on FM3005. Mike stated they do place shields and timers on the lights. A question was asked the source of the sand for the sand socks and it was later reported to be Sunset Coe at a final cost of \$25 per cubic yard.

Windstorm – OttieZapp

Galveston Windstorm Action Committee works with other organizations such as Texas Association of Realtors and Texas Independent Agency. There are several Bills filed that will have an impact on Windstorm Insurance costs. We do not want a funding shortage to affect our coverage and cost. We want to give Insurance Companies the right to write policies and have a larger pool to draw from.

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 met with Sunset Cove and Sandhill Shore residents, and the propane company on January 25 to discuss the options and project. Some assurance was received based on its location and safety of the installation. The residents and WGIPOA were satisfied with the efforts Sunset Cove is making in assuring the safety and attractiveness of the site and installation.

WGIPOA – Annual Election

Tom Booth chair of the Nominating Committee stated Pirates Beach & Cove and Isla Del Sol's term expired and the Committee recommended that they be re-elected for a term ending February 28, 2010. Jamaica Beach was also recommended for a position on the Board. A call for Nominations from the floor was made. Jeff Southard of Dunes of the West Beach subdivision requested to be on the Board. Clay Lewis – Sportsman Road Association also requested to be on the Board.

A Call to vote for election of Directors was made. Upon motion duly made by Sidney McClendon and seconded by Marie Garrett, the following resolution was adopted by unanimous vote.

RESOLVED THAT, the members elected to the Board of Directors the following:

Pirates Beach & Cove subdivision, Isle Del Sol, Dunes of the West Beach, Jamaica Beach and Sportsman Road Association.

Jerry Mohn stated that Peggy Rapp has volunteered to do the financial reports and will file the tax forms.

Upon motion made by Peggy Zahler and seconded by Tom Boothe, the following resolution was adopted:

RESOLVED THAT, Peggy Rapp shall have signature authorization in preparing and writing checks with the banks used by the West Galveston Island Property Owners Association.

General Land Office Meeting

Jerry Mohn & Sidney McClendon met with two Lobbyists for the Galveston Erosion Task Force and the GLO on March 1st, Jerry Patterson was also in attendance. They reviewed the Windstorm issues and Open Beaches Act. The GLO is seeking \$20 million/year for funding, \$10 million from sporting goods tax. The Parks & Wildlife is trying to get some of the \$10 million and we want the GLO to get all of the funds. Of the \$110 million, half comes from coastal region and half comes from CEPR. We are in support of the GLO received all the funds.

Special Topics of Discussion

- The Pirates Beach sand renourishment and sand sock repair will be under way soon, prior to the turtle season. There is no sand source at this time.
- It was recommended that members check the House and Senate Bills files to see which have an impact on the Beach & Bay issues.
- It is in our best interest to support Oattie Zapps efforts with the Galveston Windstorm Action Committee.
- The meeting with the City Manager was held on February 15th and the report will be on the WGIPOA website, www.wgipoa.com, in the near future.
- There was a study done by the Independent Insurance Committee on the importance of the Texas coast and how it affects the financial, commerce of Texas. This study would help with the issues facing the west end.
- Elevation of FM3005 – TexDot authorized a study west of the seawall to San Luis Pass. There is a problem with funding the project and TexDot recommended we go to Legislators to get the money for the elevation.
- MUD 1 building now houses the City of Galveston office and staffing. Questions concerning water and sewer can be answered at this office.
- Marie Garrett of the Texas Chapter of the American Shore & Beach Preservation Association recommended that the Board adopt a resolution. Marie Garrett encouraged members to become members of ASBPA. The Board reviewed the resolution. Upon motion duly made by Marie Garrett and seconded by Sidney McClendon, the attached resolution was adopted by unanimous vote.

Voter registration

It is recommended that one spouse vote here in Galveston one at the main residence since a vote means more here than in a large City like Houston.

There being no further business to come before the Board the meeting was adjourned.

Officers:

In accordance with the Articles of Incorporation, the Board of Directors reconvened after the meeting to elect Officers. Discussion was held concerning the slate of officers. Upon motion by Peggy Zahler and seconded by Tom Booth, the following resolution was adopted by unanimous vote.

RESOLVED THAT, the Board approved the following slate of Officers.

President – Jerry Mohn

Vice President – Marie Garrett – Bermuda Beach

Treasurer – Peggy Zahler – Spanish Grant Beach

Secretary – James DeFord – Spanish Grant Bay

There being no further business the meeting was adjourned at 11:08 a.m.
