

WEST GALVESTON ISLAND PROPERTY OWNER'S ASSOCIATION

MINUTES OF THE BOARD OF DIRECTORS MEETING

February 20, 2010

The West Galveston Island Property Owners Association Members meeting was called to order at 9:00 a.m. by Jerry Mohn, President. A quorum was established by the attendance of Directors Clay Lewis – Sportsman Road, Tom Boothe – Condo, Barbara Piersol – Spanish Grant Bay Side, Ron Coker – Bermuda Beach, Sidney McClendon – Pirates Beach, Debra Phelps – Pointe San Luis, Jeff Southland – Dunes of West Beach, Jim Jolly – Spanish Grant Beachside, and Al Galli – Jamaica Beach. Susan Gonzales, CKM Property Management was also present as secretary.

Jerry Mohn introduced the Officials, Candidates and Corporate Sponsors.

- Judge Jim Schweitzer – Justice of the Peace
- Galveston County Commissioner Precinct 2 Bryan Lamb
- Galveston County Commissioner Precinct 2 Joe Giusti
- Former City Council Diane Puccetti - District 6 County
- Former City Council Joe Jaworski – Galveston Mayor Candidate
- Betty Massey – Galveston Mayor Candidate
- Mary Nell Caprito – County Judge Candidate
- John Grady – County Judge Candidate
- Kim Sullivan – Probate Judge Candidate
- Jack Roady – Galveston County District Attorney
- Mark Henry – County Judge
- Steve Baker – County Court of Law # 2 Judge Candidate

WGIPOA March 20th meeting will be a Mayoral Candidate Forum – May 8th is Election Day.

ANNUAL MEMBERS MEETING –ELECTION OF DIRECTORS

Discussion was held concerning the election. A call for nominations from the floor was made none being received nominations were closed. Upon motion duly made by Sidney McClendon and seconded by Tom Boothe, the following resolution was adopted by unanimous vote. RESOLVED THAT, the members elected Isla Del Sol, Pirates Beach, Dunes of the West, and Jamaica Beach Improvements Committee.

Galveston Island State Park – Trey Goodman – GISP Manager

Trey Goodman – Superintendent GISP. 188 campsites and two day use areas prior to Ike. Park is now open due to hard work and clean up. 69 campsites, visitor center is now open. State is moving forward to hire a firm to do plans for rebuilding the park.

Real Estate Happenings – Alice Melott Robertson

2007 \$277,000 is the median sales price list price was \$299,000.

2009 median sales price is \$294,000 with a list price of \$293,000.

There are buyers but they are looking for deals and are taking a long time to buy. 279 active listings, selling 12 per month. Not recommended to price home high, need to look a comparables and price below that

price. Real Estate agents off the island are not doing as well because they do not have the experience, proximity and access to the Galveston MLS. Hire someone local.

Port of Galveston – Steve Cernak – Port of Galveston-past, present and future.

Steve Cernak stated that on March 4th Chamber of Commerce to honor companies that are older than 100, Port of Galveston is older than 100 yrs old. A study was done 11,000 jobs are related to Port, 3000 are direct jobs. In 2007 Marine cargo activity generated a billion dollars in Texas. Ike generated a series of activities. Seven days after Ike the port was able to get the first cargo operations, 50 days after Ike the cruise ship operation was back in operation.

Since its inception, the container shipping industry has strived to increase the efficiency of goods movement by:

- Larger, more efficient vessels.
- Larger, more efficient terminals.
- Computers & software, elimination of paper documentation, the internet and container handling automation.

The Container Ship

- 10,000 TEU vessel
- Equivalent of 5,000 – 40- foot containers
- 12,000 pair of Nikes per container
- Equivalent of 60,000 pairs per vessel
- Value = \$4,500,000,000.00 @\$75.00/pair
- Transportation cost = \$0.30/pair

Changes Affecting Ports: Rising cost of infrastructure development drives; ports to defer maintenance of existing infrastructure, projects being delayed or cancelled. The investment climate: combined with the above as well as US labor cost, constrains development, Ports traditional financing methods are inadequate and a new approach is needed.

Singapore, Shanghai, and Hong Kong are ranked as the highest world container Ports as of 2007. The United States in falling behind in capacity, technology and in competitiveness.

Some of the challenges/changes effecting Ports are:

- Globalization – drives the need for reducing port and inland transportation costs and US ports, trucking and rail must be competitive (productivity and technology)
- Bigger ships – drive the need for deeper & wider channels, bigger cranes (stronger wharves), larger terminals, higher vessel productivity, and more/better/faster container handling equipment and State-of-the-art handling and gate technology.
- Growing container volume – drives need for navigation channel improvements, terminal expansions, terminal densification, construction of new terminals, longer trains (Canadian RR's pull 12,000 foot trains whereas the US trains are limited to 6000 – 8,000 feet, requiring track improvements.
- Rising cost of infrastructure development
- The investment climate

- The environment
- Homeland security
- The economy

Port of Houston and Port of Galveston relationship is strictly business. Ten years ago there was discussion on a partnering. A feasibility study between the two Ports is in process.

People need to move stuff and the people of the world are connected by very deep water. Floatation is, always and forever, the best way to move stuff on this planet. The real driving force behind globalization is the declining cost of international transport. A lot of operations on the port are open. Channel is being deepening 45 feet. In 2001 the port assets were \$45 million, in 2009 the Port had \$90 million in assets.

The City of Galveston owns all of the land. The Port of Galveston independently manages the financials.

The U.S. Ports have done a good job of meeting demand for port terminal capacity, but if growth returns, it will not last very long. Cargo volume is down from its 2007 peak. Now is the time to invest, to do maintenance where needed, add new construction where required and add new technology. The US was once the leader and innovator in container technology but now lags its competition. The US has no state-of-the-art container terminals.

Future WGIPOA Meetings: There will be a Mayoral Forum held March 20 and a District 6 candidate forum April 17.

Buy Outs – most have been completed with the subdivisions agreements

Beach Raking- subdivision need to apply for a permit with the City of Galveston. Takes about 6 weeks. Seaweed season starts in April.

Golf Carts Legislation/ Ordinance proposal. There are some issues still under discussion. Issues on having seat belts from the east end, west end no seat belts.

Setbacks- being reviewed for wetland setbacks. 75' from north toe of the dune whether pre or post Ike. 200' from mean low tide line, city council was proposing 400" but was denied by City Planning. Jerry Mohn requested for current homes be grand fathered.

Wetland ordinance is being looked at. Comprehensive plan requires a wetland ordinance. The Board would like the Corp of Engineers to handle the ordinance.

GLO – CEPRA VI – sand nourishment up to 13-mile road. Waiting for additional funding. Project may start May or June. Front row owners will have to sign easements, which will be sent out soon.

Register & Vote – be sure to register. If you own property in Galveston you and your spouse can split your voting registration between where you live and Galveston.

Adjourned 11:33 am
