

MINUTES OF SUNSET BAY PROPERTY OWNERS ASSOCIATION

BOARD OF DIRECTORS MEETING

July 25, 2008

Call or order: A Board of Directors meeting of the Sunset Bay Property Owners Association was held at Olde Victoria Restaurant, 101 West Goodwin Street, Victoria, Texas 77904 on July 25, 2008. The meeting convened at 6:40 p.m. The Board of Directors elected Kelly Flanagan as President and he took over as the presiding officer of the meeting, and Gary Sequeira was elected as the Secretary.

The following officers were also elected and were in attendance:

Vice President	Debbie Ortiz
Treasurer	Jerry Bjork
Vice President at Large	James Buckley

At the meeting it was suggested that we nominate Crystal Lyne, a CPA, as Treasurer. Upon Crystal's acceptance as Treasurer, Jerry Bjork will relinquish his Board position to Crystal Lyne.

New business:

Scott Graves provided the following updates for Sunset Bay:

Roads – Complete

Water – Complete

Power – Complete

Phone – Incomplete. Telephone service will be installed on a request basis until approximately five houses on the property have requested phone service. At which time they will build out the entire subdivision.

10-acre Park – Incomplete. The park will have a small walking trail accessing the pier. This is projected for completion by August 29, 2008.

Fishing Pond – Incomplete. The pond will be cleaned out, enlarged and reshaped. It will be approximately ½ to ¾ of an acre. A fresh water well will be drilled to aid in maintaining a constant water level in the pond.

Fishing Pier & Day Dock – Incomplete. The delay here is due to the Army Corps of Engineers and Texas General Land Office; we are awaiting their approval. This could take 2-3 years. All applications to the Corps and the Wetland Delineation have been submitted. Joyce Bjork will look into contacting the appropriate parties to expedite approval. The pier will be approximately 4 ft. above the mean high tide. Scott said he will be able to build a 500 x 4 foot pier.

Subdivision Entrances - Incomplete. Irrigation systems will be installed at each entrance to maintain the bedding plants. Bedding plants will be installed at each sign.

Scott will contact the county regarding the rules and regulations for a gate and lock on the entrance roads to keep trespassers out.

Scott provided contact information for a property management company if we are interested. He stated that typical property management fees are 10% of annual dues.

Scott also provided contact information for a maintenance contractor: Alan Davis, Davis Clearing & Maintenance Services, 870-853-7009. Alan has been maintaining the property to date. He is responsible for the entrance areas, 100 ft. past the signs, common area, road ditches within the property, culverts and around street signs. Scott will contact Alan, so he can provide us with a scope of work and bid for a maintenance contract.

Scott will provide contact information and pricing for our pier to be lighted. He will provide both electrical and solar bids.

Scott will insure that dirt will be appropriately moved to accommodate our future plans for a community center and pavilion.

There should be additional updates that Scott can provide towards the end of August.

Insurance - Gary and Joyce will get bids on Directors and Officers insurance as well as liability insurance. It was agreed that we would request insurance bids based on a \$1MM limit of liability. This is an urgent matter and a decision on an insurance company will be made by July 30 or 31st.

Management Company - It was agreed that our funds would be better spent investing in our community for things like a pavilion, meeting center, etc. Therefore, we have agreed to be a self-managed POA.

Banking - MMC will turn over the financials to Kelly and Crystal. They will determine what bank to do business with. The criteria will include a bank that has locations in George West and Victoria and provide online access. All checks will require two Board member signatures to be valid.

Delinquent Assessments - In the correspondence we send out to the Property Owners we will include a note requesting payment of outstanding assessments. For any delinquencies after the letter is sent, a letter specifically addressed to the property owner will be sent.

Annual Budget - We will present some items for consideration to the Property Owners; other items such as postage, landscape maintenance, Insurance, etc. we will need to decide on a vendor and determine a budget. This will be a high priority topic at our September BOD meeting.

Owner Roster - Joyce Bjork has volunteered to create mailing labels, copy and mail out, the correspondence we will be sending to all Property Owners. She will be reimbursed by the Board for all expenses incurred.

Committees - We will poll the property owners for membership interest on the following committees:

- Architectural Control Committee
- Landscape and Maintenance Committee
- Finance Committee
- Communications/Website Committee

Other business:

Our next Board Meeting will be in September. Announcement of the date will be at least 10 days out.

Debbie will draft the correspondence to the property owners and send via e-mail for Board comments and suggestions. She will incorporate all changes and send to Joyce to mailout.

Adjournment: The meeting adjourned at 8:30 p.m.



Secretary

10-1-08

Date of Approval