

Tri-County Point Property Owners Association
14 County Road 480
Palacios, Texas 77465
Phone 361-972-3998 Fax 361-972-0309

June 24,2006

Special Board Meeting

Attending the special meeting were Mark Frank President, John Hamrick Vice-President, Gene Finn Sec/Tres, office manager Susan Jessup and assistant office manager Dawna Frankson. . The Associations Attorney Michael Ganier assembled a bid proposal listing requirements for any party interested in purchasing 221 lots in Section 7 of the Boca Chica Subdivision. All roads, water and sewer lines, and a commercial water well must be installed by the owner. The board discussed designating a road in Section 3 or Section 5, allowing access to Section 7 during the installation of the infrastructure. This road must be maintained during this time. The charging of 2006 maintenance fees was discussed as well as waiving the 2007 maintenance fees. The Board requested the managers to speak with Michael Gainer waiving Maintenance Fee until 2008. It must be in the proposal that the buyer can not vote on these 221 lots until 2008 or until lot/lots have been resold to individual owners. John Hamrick believed \$50.00 a lot was sufficient while Mark Frank believed \$75.00. Discussion on the current charges for Jackson County and Palacios I.S.D taxes were discussed, the Association currently pays and estimate of \$4000.00 in taxes each year for section 7 alone. The Board members were also reminded by Susan Jessup, should a lot owner currently owning property in Section 7 request to be connected to our water and sewer facilities, according to the Deed Restrictions we must comply.

The Board agreed to purchase two \$50.00 gift certificates to be present to Dale Rocarek and Mark Medford at the annual meeting for their continued efforts to improve Tri-County facilities.

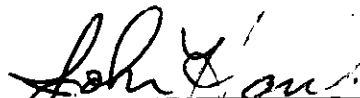
The Board discussed changing the sewer tariff to state the property owner is responsible for the replacement of sewer pump due to their negligence.



President Mark Frank

8/19/06

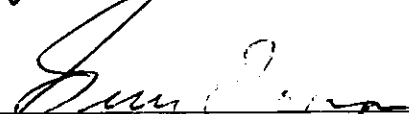
Date



Vice-President John Hamrick

8/19/06

Date



Sec/Tres, Gene Finn

8-19-06

Date

Tri-County Point Property Owners Association, Inc.
14 County Road 480
Palacios, Texas 77465
Tele, 361-972-3998, Fax, 361-972-0309, Email tricounty@awesomenet.net

July 31, 2006

Dear Property Owners:

This is to notify our property owners that the Tri-County Point Property Owner Association's Board of Directors has been approached by two separate parties wanting to purchase the remaining 221 lots in Section 7. In the best interest of the Association, the board has agreed to accept bid proposals on the remaining 221 lots.

The requirements are; the purchaser shall be responsible for all infrastructure(s) (instillation of roads, commercial water well, water and sewer line) at an estimated cost of \$250,000.00. The bidder will be required to provide to the Association, a letter of credit from their Financial institution confirming funds are available to complete the infrastructure(s).

The Association currently pays an estimate of \$4,000.00 each year on these 221 lots in Section 7.

Sincerely:

The Board of Directors

Tri-County Point Property Owners Association

14 County Road 480 – Palacios, Texas 77465

Phone: 361-972-3998 Fax: 361-972-0309

Email: tricounty@awesomenet.net

***Board of Directors: Mark Frank, President – John Hamrick, Vice President – Gene Finn, Sec/Treasurer
Susan Jessup, Manager***

This a true and correct copy of the Minutes of the Tri-County Point Property Owners Association's Annual Meeting held on Saturday, August 19, 2006 at the Carancahua Community Center.

President Mark Frank called the meeting to order at 1:08 p.m. and established that there was a quorum present. Mr. Frank then welcomed everyone and introduced the Board of Directors, the Association's attorney and staff.

Patricia Frank made a motion to dispense with the reading of the Minutes from the 2005 Annual Meeting. Danny Jessup seconded the motion – MOTION PASSED.

Mr. Frank did give an overview of the 2005 meeting for those that were not in attendance, noting several items of interest.

Mr. Frank welcomed the new owners present and had them introduce themselves. Awards were given to owners that had made a significant contribution of time and materials to the Association during the past year. Recipients were: Dale Rocarek and Mark Paulson.

Mr. Frank announced that there had been a meeting of the Board of Directors that morning prior to the general meeting. The Board had approved several driveways, a new house, approved repairs to a cracked pipe that was affecting several properties and approved the hiring of a part-time person to assist with maintenance work.

An open discussion was held concerning the boat ramp. Ms. Jessup informed the group that there had been a hold up with the State's Corps of Engineers to obtain the permit necessary for this work. The Association is being placed on a National Program that will prevent this type of delay in the future. The permit should be received in approximately two (2) weeks and dredging can begin.

A second discussion was held on problem in Section IV where owners have noticed a strong sewer-like smell around/behind lot 54. It was agreed that the problem was possibly being caused by the fish farm, which is located outside of the Property Owners Association.

Mr. Frank gave the Financial Report stating that two (2) years ago the Association was almost bankrupt due to damages from Hurricane Claudette, but that has been

turned around and the Association is now in good standing. The balance of funds available on July 31, 2006 was just under \$93,000. For the first time since the development, it was not necessary to help monetarily with the Water & Sewer Fund. There have been eight (8) new hook-ups since January 2006. There have been 1,345 lots sold with 845 of them having the maintenance paid in full – a 63% collection rate.

Mr. Frank encouraged the owners to get more involved with the Association and promoted the building of homes. Plans for the future include road improvements, land sales and the installation of water & sewer into Section VIII. There is also a need to replace some lights at the pier; improvements are needed at the pool and in the picnic area. The dredging of the boat ramp will be completed, the money is available as soon as the permit is approved – the cost of this will be \$3,600 per the bid obtained. Also included in the future planning is the construction of a barn and a meeting hall.

Mr. Frank stated that the Association still owns all but 11 of the lots in Section VII and the Board is looking for an opportunity to divest the Association of this property. Mr. Frank said that this situation will be discussed in more detail later in the meeting.

A discussion took place concerning the roads within the Association. Mr. Frank informed the group that the County had no interest in taking the roads at the present time. Several informal requests have been made, however, there has been no positive response made. The road located within Section II are county roads and are being maintained by the County in their normal manner.

Susan Jessup announced that Dawna, an office staff member, is in the hospital following surgery and is doing better. Ms. Jessup stated that there was a poster for everyone to sign that would be taken to the hospital the next day.

Mr. Frank announced that the election of a Vice-President for the Association was next on the Agenda. Mr. Frank stated that for the first time there were four (4) very qualified candidates that showed the improvements being made within the Association. Mr. Frank asked the candidates to introduce themselves and tell the group their qualifications. A brief questions & answer session followed with members asking questions of the candidates.

At this time, there was a brief intermission to allow the votes to be cast.

While the votes were being counted, Jack Ward, of the Volunteer Fire Department gave an overview of the VFD and made a plea for additional involvement. Mr. Ward stated that the financial status of the department had been a financial joke to this point, depending solely on donations, grants and fundraisers for their monetary needs. Their current budget is under \$13,000. Neither of the pumper trucks are running and there is no insurance on the building. There is a great need for EMT's and Firefighters. The department is responsible for a 109 square mile area and receives no support at all from Calhoun County. Jackson County does pay \$120 for fire calls and \$105 for medical calls. FEMA has contributed \$186,000 toward the purchase of a new truck. The VFD has been put in a position where it became necessary to petition Jackson County for emergency assistance – requesting a tax of \$0.03/\$100 for the department. The request must be accompanied by a petition

with a minimum of 120 signatures from property owners that reside in the county and be registered voters. Mr. Ward stated that the VFD is also setting up a "Weekend Responder" program so that those wishing to help on weekends can be a part of the department. Fire Department personnel would be available with the petition after the meeting for those wishing to sign.

Mr. Frank stated that the Board had identified two (2) parties interested in purchasing Section VII – the last undeveloped section in the Association. The parties have approached the Board and the Board has replied that yes the idea would be considered. Mr. Frank did state, however, that the Board would not make a decision prior to an open discussion with the Association members. The Board has engaged the Association's attorney, Michael Gainer, to form a Bid Package on Section VII. Mr. Frank continued with an explanation of what the Bid Package would consist of:

1. Bids would be for all of the 221 lots owned by the Association.
2. Bids would include the running of water & sewer to all of Section VII.
3. Bids would include the development of road throughout Section VII – based on County specs.
4. Bids would include the installation of a water well that would be connected to the existing well owned by the Association.
5. Bids would include the improvement and maintenance of all roads used to access Section VII.
6. Bids would be for a Cash sale only.
7. Bidders would be required to furnish a Financial Statement.
8. Bidders would be required to furnish a Letter of Credit.
9. All work would be required to be completed by the end of 2007.
10. There would be a minimum bid of \$65.00 per lot.

Restrictions would be:

1. All current POA deed restrictions would apply.
2. There would be a one (1) year grace period on Maintenance Fees.
3. There would be no voting rights until the Maintenance Fees on all lots have been paid.
4. Voting rights would be a ¼ vote per lot owned by the developer.
5. All work must be completed by the end of 2007 or a penalty of \$10.00 per lot/per month would be assessed until the work has been completed.

The positive side of this endeavor would be the capital gain for the Association. The risk is the unsure of the unknown, the possibility of a voting block, default by the developer and the possible of a change/increase in taxes.

After discussing the matter in detail, it was suggested to include in the Bid Package the requirement for the developer to also be required to:

1. Keep all lots mowed or the Association has the right to mow them and charge-back the expense incurred.
2. The Association would have the right to accept or reject any and all bids.

3. Add the requirement for increasing the sewer capacity with a lift-station of expansion of the present facility to provide for future growth.

At this point, Mr. Frank called for a straw poll of the members present to see what the general consensus of the Association would be. There were a total of 34 Ayes and 9 Nays. This is a non-binding vote, not a vote to act.


Mr. Frank then announced that the votes had been counted and that John Hamrick had been re-elected to the office of Vice-President for the Association. There were a total of 255 votes cast. 176 Proxy Votes – 79 In Person Votes, the results were as follows: John Hamrick, 164; David Anthony, 36; Tess, 24; Don Evanicky, 21.

The suggestion was made to make the 3rd Saturday of August the date for the Annual Meeting so that members could plan for attendance. This was agreed upon by all members present.


There being no further business to discuss, Mr. Frank adjourned the meeting at 3:36 p.m.

Respectfully submitted,

Wanda Evanicky



Mark Frank-President 12/8/8
Date



John Hamrick-V-President 8-18-07
Date



Gene Finn-Sec/Treasurer 8-18-07
Date

Charles David Anthony
725 Gallagher Drive
Canyon Lake, Texas 78133
830-660-0690

May 18, 2006

Tri-County Point Property Owners Association, Inc.
14 County Road 480
Palacios, Texas 77465

Dear Association Members:

I, David Anthony, intend to seek election to the position of Vice-President of the Association for a three year term.

I have been a member in good standing for the three years I have been a property owner. I am familiar with the Association, actively use the various the amenities of our individual and Association property and continue to volunteer at various Association events.

I believe my background and experience in residential land development, home construction and business ownership will enable me to serve our association and property owners. I want to see our Association grow and develop positively while insuring the investment we have each made will continue to grow and prosper.

Please place my name on the ballot for the position of Vice-President. Thank you.

Sincerely,



David Anthony

BIOGRAPHY

Professional Experience:

Owner/Managing Member David Anthony Homes, LLC, 12 years successful single family residential construction, both custom and speculative, residential land development and personal consulting for investors, builders and individual home owners.

Manager Hazardous Wiring Division Delta Environmental Consultants, 12 years team management for hazardous materials.

Building Superintendent Ray Ellison Homes, Buddy Burns Home Builder and various individuals. Managed and directly supervised construction of over 1,000 homes in the San Antonio area.

Personal:

Married 30 years to Linda Ann Anthony, 3 adult children (empty nest!) and one grandchild

Hobbies:

Fishing, fishing, fishing, eating shrimp, fish, sausage and chili.

May 24, 2006

Re: Election of Board of Directors for the position of Vice President

Dear Property Owners of TCPPOA;

Hello, my name is Tess Flores. My husband Steve, along with our two daughters has been property owners for four years. Starting on June 10th 2006, our family will be permanent residents of TCPPOA. We are starting to build our dream home in Sec. 1. To tell you a little about myself, I have been employed with Palacios ISD for ten years and I am also the Dance Team Director. I participate on three boards with the Palacios school district, CIT (campus improvement team) DEIC (district education improvement committee) and SHAC (involving the health of our students and teachers). I was employed by Formosa Plastic in the General Affairs department as Assistant Administrator from 1988 to 1996. I resigned from Formosa to stay home and raise my daughters. I am one of three that founded the Palacios Pet Pals SPCA to help build a no kill shelter for homeless and neglected animals. For four years I was on the Board of Directors for the Palacios Little League where I served as Vice President two years and Secretary for two years. I was on the Palacios Fire Department and certified in Forestry (grass fires) and Jaws of Life; I also attended the EMT training course. The past nine years I have volunteered for the Operation Santa Clause to help feed and give under privilege children a better Christmas. This year I was presented the honor of Palacios FFA Chapter Sweetheart which is the highest award for working with FFA/4H for eleven years.

As you read my biography, I hope that you can see that I have the qualifications to represent this wonderful community as your Vice President. I have always been supportive of the community and I know I would love to have the opportunity to work for Tri-County Point Property Owners. I have many ideas that will help Tri-County. I am concerned about all the property that is being bought in this area and I will work to find out what's going on; we all need to know what is going on. Also you will have a Board Member that will be living in Tri-County where you can call for questions, just to talk or to lend a helping hand. I am a hard worker and I am very motivated, I can say without a doubt that I get my enthusiasm from my wonderful parents Tommy & Jerry Schultz, also property owners. Thank you so much for taking the time to read my letter. If you have any questions please do not hesitate to call me. God Bless you and take care!

Mrs. Tess Flores

Mrs. Tess Flores

Don Evanicky
1504 E. Jackson Street – El Campo, Texas 77437
Phone/Fax: 979-578-0793 Cell: 832-473-2993
Email: donevanicky@sbcglobal.net

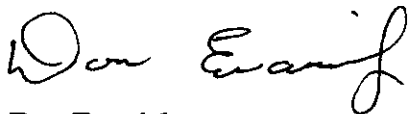
May 29, 2006

To Whom It May Concern:

I am interested in seeking election to the position of Vice-President of the Board of Directors for the Tri-County Point Property Owners Association, Inc. (three (3) year term). I am a member in good standing of the Association.

I feel that my past experience as a former City Council Member and Mayor Pro-Tem for the City of Beasley, in Fort Bend County, as well as currently being a Road & Bridge Supervisor for Fort Bend County, Texas qualifies me for this position. I have an extensive background in management, construction and leadership. As a new owner in Boca Chica, I am very interested in helping to develop the area. I have the time and the ability to serve on the Board and think that I would be an asset to the Association. My family is very active within our community and we know what it takes to get a job done well. We are looking forward to building a home on our lot in Section IV and to making this our permanent home. I would like to be a part of the advancement of the subdivision and making it a desirable location for others.

Sincerely,



Don Evanicky

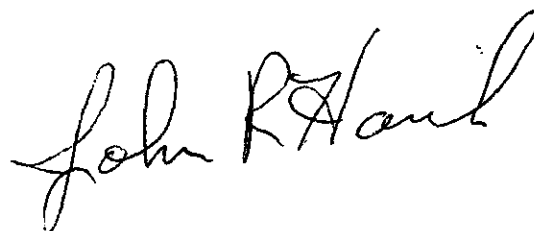
John Hamrick

Three years have quickly passed by and once again it is time for the election of Vice - President of the Board of Directors for Tri-County Point Property Owners Association. As the current Vice-President I am seeking re-election. While serving on the Board for the last few years I have seen and been a part of the changes in our community. As the re-elected Vice-President of the community I will continue to be a part of the growth and developing changes by serving on the Tri-County Point POA Board for another 3 years.

My wife and I have been property owners since 1982. We have a home in Section 2, where we spend almost every weekend. We live in Dripping Springs, which is a little west of Austin and have been there since 1980. The Barton Valley Home owners association was founded in 1988 and I served as President from 1988 to 1992. I was re-elected as President in 1996 and currently still serve as President.

It is and will continue to be an honor to serve Tri-County Point Property Owners Association as Vice-President of the Board of Directors.

YOUR VOTE for re-election on August 19th, 2006 will allow me the opportunity to serve again and is appreciated.

A handwritten signature in black ink that reads "John R. Hamrick". The signature is written in a cursive style with a large, stylized initial "J".