

Steering Committee Meeting
28 July 2007

Minutes of the Meeting

The following Agenda was adopted and served as guide for the meeting.

- I. Welcome and Opening Remarks
 - a. Results of Past Efforts
 - b. Consensus Target
 1. "B" Incorporation
 2. September filing for "first in line" protection
- II. Formalization of Membership in Steering Committee
 - a. Objectives—to cover each major community
 - b. Need formal "representative" and "alternate"
 - c. Additional help and subcommittees
 - d. Agreed procedures for communication inward/outward
- III. Identification of Key Tasks to be Completed
 - a. Resolve if Lago Vista ETJ is long term protection
 - b. Name of City—Required by filing, or TBN, file later?
 - c. Petition-how many signatures, formalize
 - d. Other key tasks ?/timing
- IV. City Services to be Provided
 - a. What are REQUIRED services (by law)
 - b. What services will residents want
 - c. How do we determine those services they want
 - d. What are the costs of such services
- V. Other Villages Experience
 - a. Briarcliff experience
 - b. Bee Cave experience
 - c. The Hills experience
 - d. Volente (to try to address what went wrong, why)
 - e. Other suggestions
 - f. Agree sub-committees to meet with villages, report back
- VI. Budget Preparation

- a. Based on results of above, agree “cases” of service level
 - b. Cost out the service levels
 - c. Prepare presentation to the community
- VII. Communications Strategy and Tactics
- a. Mailout of brochure
 - b. Website for polling and communication
 - c. How communicate to citizens about website and get
The community to “register” on site
- VIII. Overall Consensus on What the Objectives of the SC Are
And timing thereof
- IX. Schedule for Next Meeting and Reports from Sub Committees

Attendees of the Meeting:

Bill Haskins of The Enclave
Donna Snyder of The Enclave
Barry Schneider of Thurman Bend Road
Tom Douglass of Thurman Bend Road
Richard Jenson of Thurman Bend Estates
Dwight Reck of Thurman Bend Estates
Waylan Johnson of Angel Bay
Tod Grubs of Lakewood Estates
Ken Watts of Angel Bay

Details of the Meeting Discussion and Decisions:

- I. Welcome and Opening Remarks
Ken Watts, Chairman of the Steering Committee welcomed the attendees and thanked Waylan Johnson for making his office and conference facilities available to the Steering Committee. The Committee reviewed the progress to date, namely an opening Community Meeting, volunteers for the Steering Committee, and efforts to define the threat of annexation and potential means of dealing with that.

The Steering Committee had considered filing for incorporation in the November 2007 election, but after deliberation, had decided to do more work to better define the issues, and target May 2008 for the election if the results of the work indicated we should proceed. Further, the SC has established a goal of having a target of filing of paperwork for the

election in September if key issues are resolved that indicate this may provide us protection from any overt move by Lakeway.

- II. Formalization of Membership in the Steering Committee
It was discussed and agreed that the SC needs representation from each of the main areas in our community. It is important that we have a membership that can and will represent their communities, and be willing to communicate the results of the SC efforts to their respective communities and receive questions and comments from their community in order to make certain that the SC has heard and understands the opinions and questions of the citizens at large.

There are eight (8) identified “communities”: (“Boroughs”)

- Lakewood Estates
- Angel Bay and La Isla at Angel Bay
- The Coves
- Thurman Bend Road
- Edgewater Beach HOA
- The Enclave
- Thurman Bend Estates
- Calcasieu Point (New Development by Hal Jones)

The Members of the Steering Committee are as follows:

Clint Jones –Angel Bay/La Isla
Tom Douglass-Thurman Bend Rd.
Barry Schneider-Thurman Bend Rd.
Bill Haskins-The Enclave
Waylan Johnson-Angel Bay
Jerry Boguskie-Angel Bay
John Hazard-The Enclave
Tod Grubbs-Lakewood Estates
Sean O’Neal-The Coves
Chip Cramer-Lakewood Estates
Dwight Reck-Thurman Bend Estates
Richard Jenson-Thurman Bend Estates
Donna Snyder-The Enclave
Bill Hale-Thurman Bend Rd.
Judy Phelps-Edgewater Beach
Steve La Porte-Angel Bay
Kevin Karcher-Thurman Bend Estates
Olle Lohren-The Coves
Peter Vogt-Angel Bay
Debbie Knight-The Coves
Hal Jones-Calcasieu Point
Jack Bobbit-Edgewater Beach

Ken Watts-Angel Bay/La Isla *
(* Chairman)

Total Membership: 23

III. Identification of Key Tasks

There has been a flurry of e-mails circulating throughout our communities, raising questions and concerns. There have also been many e-mails containing only preliminary information and/or speculation about legal and operational answers. The SC discussed the problems and issues which have arisen, including the perception that we are moving too quickly without good reliable information and that we have answers already (i.e. proposed budget calculations) which make the incorporation a bad idea. We decided that it is very important to stop this discussion based on theories and speculation, as it is creating unnecessary concerns. In order to organize the process of acquiring all of the information needed, we set up Subcommittees with the responsibility of identifying issues and finding answers and then bringing the information back to the SC.

The Legal Subcommittee is Clint Jones (Angel Bay), Donna Snyder (Enclave), Tom Douglass (Thurman Bend Road) and Chip Cramer/Todd Grubbs (Lakewood Estates). This subcommittee will attempt to identify all legal issues which need to be resolved including, but not limited to, the level of protection we will have if we are within Lago Vista's or Briarcliff's extra-territorial jurisdiction, issues related to franchise tax revenue streams, the legal minimum of services which would have to be provided by an incorporated entity and whether the SC needs to set itself up as a legal entity, in order to hold money for the group and obtain legal advice.

The SC recognized that because of the importance of the several legal issues which need to be definitively answered, we need a reserve of money to obtain proper legal advice. It was decided that each of the 8 entities represented in the SC would be asked to contribute \$500, for a total of \$4000. It is expected that this fund will be adequate to complete the legal analysis, pay the costs of the law firm to file the petition and pay for the costs to establish a website and communicate with the community about the results of the SC's work. The SC members will contact their respective neighborhood entities to request this appropriation, which will be administered by the Legal Subcommittee through a bank account to be established.

IV. City Services to be Provided and,

V. Other Villages to be Contacted for Information

The Operations Subcommittee is Ken Watts, Waylon Johnson & Peter Vogt (Angel Bay), Dwight Reck (Thurman Bend Estates), Barry Schneider (Thurman Bend Road) and Judy Phelps/Jack Bobbit (Edgewater Beach). This Subcommittee will develop of complete list of issues and questions which need to be answered, including how other small communities in our area (Lago Vista, Volente, Point Venture, Bee Cave, Briarcliff and The Hills) manage their cities, provide services, pay for the services provided and so forth.

VI. Budget Preparation

Once we have a better understanding from both the Legal Subcommittee as to the services REQUIRED, and the meetings with the Villages as to services actually provided, a Budget Subcommittee will undertake to develop pro forma budgets for the minimum and for various levels of services that may be expected or wanted. They will cost each of the services and provide a solid basis for anticipate budgets and possible tax rates to achieve the required level of funding.

The Budget Subcommittee has the following members:

Bill Hale
Barry Schneider
Richard Jenson

VII. Communication Strategy

The Steering Committee recognized that "Task A" is to have a communication strategy for each of the Burroughs. Accordingly, the representative(s) from each area were tasked with the responsibility of developing and implementing a plan to communicate information to, and receive input/questions from their respective areas. It was felt this would help facilitate the timely distribution of information and allow questions to be brought to the attention of the SC directly by the representatives.

Tom Douglass volunteered to prepare a letter to the Community outlining our efforts and asking for input on the name of the city. Further, Peter Vogt has agreed to prepare a website for the effort which would be limited to all citizens in the area, and allow polling to be completed. Pending resolution of the issue related to the Lago Vista ETJ, the SC will prepare a letter for distribution via Tom Douglass' office to facilitate the plans for selecting the name of the city, as well as inform the citizens of the website for further work.

VIII. Overall Consensus

The Steering Committee meeting attendees agreed that we will continue to review the threat of annexation, and prepare an overall review of the legal, operational and budget implications of incorporation and present them to the community in an open meeting and format. Our objective is to thoroughly understand the threat and our possible actions to avoid it, and the timing thereof. It was hoped that by circulating the minutes of this meeting, we might begin the process of building the consensus within the community on this issue.

The general feeling is that incorporation may be the only "failsafe" way to avoid ultimate annexation by Lakeway, but we agreed we must prepare a solid case to present to the citizens after reviewing all options. The target for filing a petition for an election will be established as soon as the Committee understands that we have achieved that level of knowledge, with September 2007 as a goal, and shoot for the May 2008 election.

IX. Schedule for Next Meeting

The next meeting will be called by email to the membership, following the conclusion of the efforts of the Legal Subcommittee and the Operational Subcommittee to hold the required meetings and be in position to report back. It was duly noted that August is a difficult month due to vacations in advance of school resumption, and the next meeting schedule may be impacted by that.

