

**CANAL CITY PROPERTY OWNERS ASSOCIATION
P.O. BOX 110
HIGHLANDS, TEXAS 77562**

NEWSLETTER

Dear Property Owners,

Those of you who missed our General Meeting missed out on good food and a lively discussion. We had over ninety people attend which is a new record. None of the proposals passed because there were not enough people voting. There is a need for more Canal City Property Owners to become interested and involved to improve our subdivision. We're looking into running those proposals that had over 70% approval ("yes" votes) again, when we have more involvement. We need everyone's help in getting more owners involved.

The attorney for Canal City Property Owners sent a letter to Global Geophysical Services telling them that our current deed restrictions prevent industrial or business operations on our residential lots, and therefore we were not interested in any oil or gas wells in our subdivision.

I was frustrated at the General Meeting and gave up trying to inform everyone of what was happening on a number of fronts. Here's an update:

1) The Board has a document from John Hall, an appraiser, who has been in the appraisal business for 30 years. He appraised Canal City Property after the storm for \$25,000 a lot. A CPA was notified to make sure everything the Board was doing is on the up and up before anything was put in writing. The Board checks sources thoroughly before anything is presented to the property owners. The appraisal document is available at 777 North 23rd Street, Beaumont, Texas. You may call for an appointment at 409-781-3682.

2) Most people have been paid 11.5% from Texas Windstorm. The following is some information you may need for your claim:

- a. Get a copy of Canal City deed restrictions that requires 1000 square feet of living space which will increase the value of your claim.
- b. Get a bid on having a new house built.
- c. The adjuster told me that you need to try and give them every piece of paper you can that they require.
- d. Someone informed me Hail and Windstorm was to take a third look at their property.
- e. Please keep the board informed on any new developments.
- f. Vicki Cartwright says you can write off the amount of insurance loss.

3) I visited the law firm of Lyons and Plackemeir a week after the General Meeting because clarification on some points of order is needed:

- a. Someone made a proposal at the meeting and it was seconded but only five hands out of ninety were for it, so I assumed it was voted down for ballot inclusion. Mr. Plackemeir agreed with me.

b. A member suggested that it was illegal to put items on the ballot without informing the members. Mr. Plackemeir stated as long as a notice is mailed informing members of the meeting with the ballot, the Board did everything correctly. He also stated that the Board determines what to vote on (that's one of the board's purposes). However, what the Board works on during the year is determined by what is discussed at the General Meetings.

c. There is no difference in the rules for a Property Owners Association (POA) versus a Home Owners Association (HOA). From a legal standpoint, they are the same.

Please call me if you have concerns. I look forward to any ideas and concerns to present to the board. I do not spend time on the web site. I do not bark and I do not bite. I am here for the good of Canal City and can always be reached at 409-781-3682.

NOTHING HAS CHANGED ON THE DEED RESTRICTIONS SO FAR!

Some of the things the board will be working on for the next year are:

1. A new toilet facility (bathhouse), shower, and fish cleaning area.
2. A new sign at the end of the road and private property signs.
3. There is no longer a fire department so we are looking into some kind of fire fighting equipment. If you have some kind of pump you can donate we would appreciate it.
4. Please notify me if anyone knows of someone who would mow Canal City Property.
5. Please notify me if anyone needs their property cleaned up. There will be a dumpster for Labor Day weekend.
6. We'll be working to increasing owner participation for future covenant votes.

The board is reconsidering travel trailer ports that were brought up at the general meeting. The view eighteen feet in the air is breath taking compared to ground level. This may be a way to build your house in stages when you have the money. I want to give Ken Mingledorff an AT – A-BOY for putting in the first trailer and bird houses for the martins!

REMINDERS:

IF YOU WANT WATER RESTORED YOU MUST DO IT BEFORE DEC 31, 2009.

ANYONE NEEDING A KEY TO THE FISHING AREA WILL NEED TO CALL WAYNE DAUGHTERY AT 832-244-2004.

IF YOU DO NOT WANT TO PAY \$90 FOR MAINTENANCE FEES, PLEASE PAY YOUR ASSOCIATION DUES BEFORE OCTOBER 1ST.

This is my last year on the Board so all of you who have time on your hands sign up for next year. It is the most rewarding and frustrating job you can get. I have enjoyed the time with all of Canal City and look forward to great things! **SEE YOU AT THE BEACH!**

Grant Nelson, President

On a sad note, we've heard that long time Canal City resident Ben Bruce passed away. If you have any information about this, please call me.