



**Park Board of Trustees of the City of Galveston  
601 Tremont Street, Galveston, Texas 77550**

3/23/2021 - Minutes

I. Call Meeting To Order

The meeting was called to order at 1:32 p.m.

II. Roll Call And Declaration Of A Quorum

Roll was called and a quorum declared.

Trustees Present: Spencer Priest, Will Wright, Dave Jacoby, David Collins (1:41 p.m.), Steven Creitz, Marty Fluke, Maureen Patton and Jason Worthen (1:54 p.m.).

III. Conflict Of Interest Declarations

There were no conflicts declared.

IV. Requests To Address The Board

Requests were received and read from Mary Branum, Claire Reiswerg and Liz Overton on Agenda item VI-B and from Mike Dean and James Clark on Agenda item VII-D. These were read at the time the agenda items were discussed.

V. Employee Spotlight - Stuart Smith

Susan Keeble recognized Controller Stuart Smith for his many accomplishments since joining the Park Board in February 2020. Some of these accomplishments included quickly learning the complex Park Board accounting system, assisting with the onboarding of the CFO and that he was instrumental in the clean audit opinion for the 2019-2020 financial statements.

Kelly de Schaun recognized Seawall Ambassador, Don Gullis, who recently passed away and a moment of silence was observed in his honor.

VI. Administration

A. Park Board 2021 United Way Campaign Update (5 Minutes)

Lindsey White with United Way thanked the Park Board for their participation in the 2021 campaign. Ms. White reported that even with all of the difficulties many on the island have experienced this year, the Park Board employees pledged \$4,850 to the campaign. In addition, the Park Board partnered with the City of Galveston and Kelly de Schaun and Dan Buckley both went into the dunk tank to see who could raise the most funds. Ms. White announced that Kelly de Schaun won the G.O.A.T. award (Greatest of All Times) by raising an additional \$2,000 towards the campaign.

B. Discussion Concerning Voluntary Collection Agreements (Spencer Priest/Bryson Frazier, 15 Minutes)

Spencer Priest shared that City Council would be discussing this item at their April 22, 2021 meeting and would like to provide David Collins with input from the Board for this discussion. David Collins reported that Council is interested in what the Board thinks and that the difference between what the City and State collect for hotel occupancy tax, (HOT), is significant enough that it needs to be addressed.

Kelly de Schaun thanked the council for addressing this topic especially with the shift in short term rental contributions to the HOT. She shared that previously the local collections were higher than the state collections but with the state signing the voluntary collection agreements, (VCAs) this has flipped. Mrs. De Schaun also reported that at the chamber of commerce meeting earlier in the day, Mary Branum spoke and stated that while VCAs are good for the tax collection, but they do not address some of the other issues with short term rentals. She also shared that there is legislation being introduced that would prohibit local regulations of short term rentals.

Marty Fluke shared that while he agrees with the comment submitted, he believes that the residents and the short term rentals needs to find a way to coexist peacefully and that the fund increase projected if the city entered in to VCAs, would bring in much needed funding for Beach Patrol, Coastal Zone Management and the Convention and Visitor's Bureau. Mr. Fluke also stated that if an annual registration fee was implemented, these funds could be used by the City for regulation and code enforcement to alleviate many of the concerns with Short Term Rentals.

Dave Jacoby added that there several distinct issues that need to be considered when looking at regulations, VCAs and enforcement and that the island as a whole needs to be considered including housing issues and the long-term impacts to the City.

Bryson Frazier indicated he is continuing to work with the City on this and Michael Woody reported that the study currently being done by JLL is also looking at this issue.

C. Chair Update On Park Board Of Trustees And City Of Galveston Joint Meeting (Spencer Priest, 5 Minutes)

Spencer Priest shared that the Board of Trustees and Galveston City Council are scheduled to have a joint meeting at the April 22, 2021 workshop. He listed several potential items for discussion which included an update on the Stewart Beach Public Private Partnership, East End Lagoon, Voluntary Collection Agreements and the Interlocal Agreement with the City. Mr. Priest reported that he has asked Trustee Marty Fluke to take on the task of reviewing the current interlocal agreement and asked the trustees to share any input on this with Mr. Fluke. Kelly de Schaun added that at the request of the City, the Capital Improvement Plans would be added to the list of items to discuss.

## VII. Operations

A. Discuss Subgrant Reimbursement Contract With The Texas Commission On Environmental Quality For The East End Lagoon Phase 1-A Project (Kelly De Schaun, 10 Minutes)

Kelly de Schaun reviewed that the application for the RESTORE funding for the East End Lagoon was based on the Master Plan done by AECOM in 2010 to build an open air observation deck , adding signage and the completion of the parking lot. She reported that this is 100% funded with no local match required and that she is asking for guiding on if the Board would like to proceed and accept this grant. Mrs. de Schaun shared that this facility is not intended to produce revenue for the park and the goal is that the proposed fishing and camping would eventually offset any expenses related to this facility. Mrs. de Schaun shared that if the Board wishes to proceed, she would also like to ask the East End Lagoon Advisory Committee to continue previous discussions on the prioritizing of revenue generating options.

Maureen Patton, David Collins, Steven Creitz and Marty Fluke all expressed support to move forward with this grant.

B. Discuss And Consider For Approval Options To Repair Or Demolish The Stewart Beach Pavilion (Mario

Rabago 10 Minutes)

Mario Rabago gave a short history of the pavilion at Stewart Beach. He reported that the pavilion, built in 1984, is experiencing concrete spalling after 37 years on the beach and the engineer's assessment estimates the total cost for repairs at \$825K. Mr. Rabago shared that the City of Galveston Facility Director and Architectural Project Manager did a site visit and their findings were mostly in line with the engineer hired by the Park Board. He stated that the current state of the facility has significantly reduced the functionality of the building and raised several safety concerns. Mr. Rabago presented two options for consideration: conducting the repairs as recommended by the engineering report or demolish the pavilion once after the season ends and find alternative offices.

David Collins stated that while he believed the City would be willing to discuss ideas, he believes that there are more the \$800K of repairs being needed to the structure overall, He also stated that he does not have confidence in the projected demo expenses or that it could be accomplished in the timeframe provided. Maureen Patton is not interested in seeing any more money spent to repair this facility and would like staff to bring back a plan on moving everyone out of the pavilion. Kelly de Schaun shared that staff is currently working on this and have already determined that the call center team and Mario Rabago will move to the Plaza and that Beach Patrol is researching leasing space for their needs. She also stated that she was confident in the demo costs and timeline that staff reported. Dave Jacoby asked that the plan also include the budget impacts for leasing, etc.

Motion: Marty Fluke motioned to table this discussion and have staff bring back a full transition plan.

Second: David Collins seconded.

Vote: Approved (8-0).

C. Update Regarding Stewart Beach Public Private Partnership (Dave Jacoby, 10 Minutes)

Dave Jacoby reported that staff and the Task Force have been working closely with JLL on the RFP/RFQ process to frame the opportunity for a private organization to form a partnership with the Park Board for Stewart Beach. He shared that there is a draft of the RFQ being finalized with the plan of going live in June. The timeline would be framed to allow interested parties to visit Galveston and see Stewart Beach during the summer season.

D. Discuss And Consider For Approval Award Of Contract For 2021 July 4th Fireworks Display Services To Sky Wonder Pyrotechnics For The Budgeted Amount Of \$22,000 (Mario Rabago 5 Minutes)

Mario Rabago reported that bids were solicited for the 4th of July fireworks display and that while three responses were received, only one chose to submit a bid, Sky Wonder Pyrotechnics. He shared that this is the firm that the Park Board has used in the past and they have proven to be safe and professional. Mr. Rabago also shared that staff has contacted the Surfrider Foundation and they, along with the Coastal Zone Management team, will provide the post-show clean up.

Maureen Patton stated that while last year she voted against doing these due to the pandemic, she believes that the City is prepared to manage the crowds safely, as they have been doing for Spring Break, and supports doing these this year. Spencer Priest added that he would like to include the option of the simulcast to the cost for consideration. Will Wright also expressed support for having the fireworks this year but would like to have the opportunity to revisit this should the situation warrant it. Dave Jacoby asked how having these would impact the Star Spangled Island plan from last year. Kelly de Schaun responded that the funds are allocated towards the fireworks in the budget but Marty Fluke believed that there should be enough funding for both if desired. Jason Worthen does not believe that the fireworks should be done on a day when the island is already busy but David Collins expressed that this was about showing patriotism and not necessarily bringing more people to the island although the restaurants have shared that the fireworks do keep people in their establishments longer and later.

Motion: Maureen Patton motioned to approve awarding the contract for the 4th of July fireworks display with simulcast application included in the about of \$25,500 to Sky Wonder Pyrotechnics.

Second: Spencer Priest seconded.

Vote: Approved (7-1, Worthen opposed).

#### VIII. Tourism Development

- A. Update On 7th Annual Galveston Island Tourism Summit Program (Jacquelyn Helton, 10 Minutes)  
Michael Woody shared highlights for the upcoming Tourism Summit scheduled for May 5, 2021. He reported that the summit will take place in person at the Galveston Island Convention Center as well as being live streamed and will be free to participants. He added that currently 151 people have registered and there are already five sponsors who have contributed over \$20K for the event.

#### IX. Consent

Motion: Steven Creitz motioned to approve the consent agenda.

Second: Maureen Patton seconded.

Vote: Approved (8-0).

- A. Discuss And Consider Approval Of Meeting Minutes (Schel Heydenburg)
- B. Discuss And Consider Approval Of Fiscal Year 2021 First Quarter Unaudited Financial Statements (Bryson Frazier)
- C. Discuss And Consider For Approval Award Of Bid From Building Galveston Inc. DBA Building Solutions For Dellanera RV Park Winter Storm Repairs (Mario Rabago)
- D. Discuss And Consider New Chamber Visitor Information Center Finish Out And Enhancements (Michael Woody)
- E. VICi Resolution Approval For General Issue License Plates For Exempt Vehicle (Michael Woody)
- F. Discuss And Consider Approval To Award New Publishing Contract For The Visitor's Guide (Michael Woody)
- G. Discuss And Consider Meeting Professional International Promotion For Global Meetings Industry Day And World Education Conference (Michael Woody)

#### X. Monthly Report

Kelly de Schaun directed everyone to the report in the packet and encouraged everyone to take to time to reach. She shared that the staff includes not only what was accomplished in the month but also what is on the horizon for their departments.

#### XI. Future Agenda Items

- Stewart Beach Discussion
- Interlocal Agreement
- Mid-Year Reports

#### XII. Announcements

Bryson Frazier shared that the numbers reported for the Parks over Spring Break are showing they did very well, exceeding previous years, with the exception of Seawolf Park.

Michael Woody announced that the Convention and Visitor's Bureau did a Where's ViCi promotion with the new mobile visitor center and they are very pleased with the results.

XIII. Adjournment

The meeting was adjourned at 3:35 p.m..

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Schel Heydenburg  
Board Reporter

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Dave Jacoby  
Board Secretary