

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
SAN JACINTO RIVER AUTHORITY

February 27, 2014

A regular meeting of the Board of Directors of the San Jacinto River Authority was held at 7:30 A.M., February 27, 2014, at the San Jacinto River Authority General and Administration Building, 1577 Dam Site Road, Conroe, Texas 77304. The roll was called of the duly constituted members of the Board as follows:

Lloyd B. Tisdale	President
R. Gary Montgomery	Vice President
Mary L. Rummell	Secretary
Joseph L. Stunja	Treasurer
Mike Bleier	Member
Fredrick Koetting	Member
John D. Eckstrum	Member

Present were Lloyd B. Tisdale, R. Gary Montgomery, Mary L. Rummell, Joseph L. Stunja, Mike Bleier, Fredrick Koetting, and John D. Eckstrum thus constituting a quorum. Also present were Jace Houston, General Manager; Ron Kelling, Deputy General Manager; Tom Michel, Director of Financial and Administrative Services; David Parkhill, Director of Raw Water Enterprise; Jodi Chaney, Administrative Services Manager; Ronda Trow, Public Relations Manager; SuEllen Staggs, Woodlands Division Manager; Phil Smith, Surface Water Plant Construction Manager; Doug Haude, Senior Project Manager/Construction Manager; Mitchell Page, Schwartz, Page &

Harding, LLP (SPH), General Counsel and Bond Counsel; Jan Bartholomew with RBC Capital Markets, LLC; and numerous other guests.

Mr. Tisdale called the meeting to order at 8:10 A.M. and announced that notice of the meeting had been posted as required by law, that advance notice of the time, place, and subject matter of the meeting had been sent to all Directors, and that a quorum was present.

Mr. Tisdale requested that Mr. Stunja lead the Pledge of Allegiance to the United States flag and the Texas flag.

Mr. Tisdale continued the meeting by inviting comments from the public; there were none.

Mr. Tisdale moved to the next item to receive updates from the Operational Divisions and General & Administration Division related to ongoing projects, staff reports, and items on the consent agenda. Mr. Houston reported on a recent trip with representatives from the City of Conroe and Lone Star Groundwater Conservation District to Seagoville to visit an engineered wetlands built by the North Texas Municipal Water District.

Ms. Trow provided an update on ongoing Public Relations Department projects, including various outreach efforts related to construction of the GRP's waterlines, future updates to the Woodlands Division and Lake Conroe Division websites, and site visits to the Lake Conroe marinas. She further stated that Lone Star College has asked for permission to use an article recently published in the Community Impact News as a tool to educate students on water conservation issues.

Mr. Michel provided an update on the G & A Division. In an effort to better connect the Board to the staff, and vice versa, Mr. Michel introduced Information Technology Manager

Raymond Johnson and asked that he introduce I.T. Department staff and describe the various processes handled by each. Mr. Michel expressed appreciation to I.T. Department staff for their hard work and dedication. He then stated that, as the Authority's Public Funds Investment Officer, he is required by the Public Funds Investment Act to submit a disclosure statement whenever the possibility exists of a personal business interest with an entity that the Authority deals with on public investments. He submitted a memo to the Board disclosing such interests.

Mr. Parkhill reported that there were no updates on the Raw Water Enterprise Program.

Ms. Staggs reported that there were no updates on the Woodlands Division.

Mr. Kelling provided an update on the GRP Division. He presented the Groundwater Reduction Plan Program's Monthly Progress Report and discussed Item Nos. 5d and 5e on the consent agenda.

Mr. Phil Smith provided the Groundwater Reduction Plan Program's Monthly Construction Progress Report to the Board. He provided photographs of the work taking place on the Surface Water Facility Project and reported that the project is on schedule and still within budget.

Mr. Doug Haude provided an update on the Surface Water Transmission System Project. He presented photographs depicting all transmission line segments and provided updates and timelines for same.

Mr. Tisdale then continued on to the consent agenda. Motion was made by Mr. Koetting, seconded by Ms. Rummell and unanimously approved, to: (i) approve the minutes of the January 15, 2014, and January 23, 2014, Board of Directors meetings; (ii) approve the

unaudited financial statements for the months of December 2013, and January 2014; (iii) adopt the resolution entitled, "*Resolution Adopting List of Qualified Brokers for Investment Transactions*", attached hereto as Exhibit "A"; (iv) adopt the resolution entitled, "*Resolution Delegating Authority to Suspend Withholding of Additional Retainage from Construction Progress Payments*", attached hereto as Exhibit "B"; and to (v) authorize the General Manager to execute Amendment No. 4 to Work Order No. 2 with KDM Acquisition Services, Inc., in the amount of \$10,000.00, for land/easement acquisition support services for GRP Program.

Continuing to the regular agenda, Mr. Tisdale announced that Item Nos. 7a and 7b on the agenda would be discussed and presented together. Mr. Parkhill presented each item and addressed questions related to same. Motion was then made by Mr. Eckstrum, seconded by Ms. Rummell and unanimously approved, to authorize the General Manager to execute: (i) Work Order No. 4 to the Professional Consulting Agreement with RPS Espey for the Highlands System Assessment, in an amount not to exceed \$86,836.00; and (ii) Extension No. 3 to the standby pumping contract with Xylem, Inc., (dba Godwin Pumps), in the amount of \$116,172.60, in the Highlands.

Mr. Tisdale continued by announcing that Item Nos. 8a and 8b on the agenda would be discussed and presented together. Ms. Staggs presented each item and addressed questions related to same. Motion was made by Mr. Stunja, seconded by Ms. Rummell and unanimously approved, to authorize the General Manager to execute: (i) a standard construction contract with C.F. McDonald Electric, Inc., in the amount of \$262,469.00, and contract modifications up to \$65,617.00, for Lift Station No. 10 generator in The Woodlands; and (ii) Work Order No. 3 to the professional services agreement with Gupta & Associates, Inc., in the amount of

\$24,735.00, for construction inspection services for installation of Lift Station No. 10 generator in The Woodlands.

Moving to the next item on the agenda, Ms. Staggs presented information and motion was made by Mr. Eckstrum, seconded by Mr. Montgomery and unanimously approved, to authorize the General Manager to execute a standard construction contract with Weisinger Incorporated, in the amount of 199,314.00, including alternate bid Item Nos. 150-154, for rehabilitation of Water Well No. 6, and painting of the exterior piping at Water Plant No. 2 in The Woodlands.

Moving to the next item on the agenda, Ms. Staggs discussed the item and motion was by Mr. Eckstrum, seconded by Ms. Rummell and unanimously approved, to adopt the resolution entitled, *"Resolution Declaring the Existence of a Public Necessity for the Construction of a Natural Gas Line, Including Reasonable and Necessary Appurtenances Thereto, to Provide Fuel for a Standby Generator to Service Woodlands Division Sanitary Sewer Lift Station No. 5, and Authorizing the Acquisition, by Donation, Purchase, or Exercise of the Power of Eminent Domain, of Property and Property Interests Necessary for Such Facilities"*, attached hereto as Exhibit "C".

Mr. Tisdale continued to the next item on the agenda to authorize the General Manager, or his designee, to execute letter(s) of assurance to the Lone Star Groundwater Conservation District (LSGCD), confirming that a GRP participation contract will be executed for applicants that choose to join the Authority's GRP, and to approve the GRP contract(s) as presented and authorize the execution of same by the General Manager. Motion was then made by Mr. Eckstrum, seconded by Mr. Stunja and unanimously approved, to authorize the

General Manager to execute a letter of assurance to the LSGCD as requested, for East Montgomery County MUD No. 7. There were no GRP contracts to consider.

Mr. Tisdale announced that Item Nos. 9b through 9j on the agenda would be discussed and presented together. Mr. Kelling presented each item and addressed questions related to same. Motion was then made by Mr. Stunja, seconded by Mr. Eckstrum and unanimously approved, to authorize the General Manager to execute: (i) a supplemental agreement with Montgomery County MUD 99/115 for early connection to the GRP Program Delivery System; (ii) a professional services agreement with IDS Engineering Group, Inc., in the amount of \$109,810.00, for preliminary engineering of Surface Water Transmission Line, Segment W3C, for the GRP Program; (iii) Work Order No. 2 to the professional service agreement with IDS Engineering Group, Inc., in the amount of \$50,855.00, for survey and subsurface utility exploration of Surface Water Transmission Line, Segment W3C, for the GRP Program; (iv) Work Order No. 3 to the professional services agreement with IDS Engineering Group, Inc., in the amount of \$10,175.00, for environmental study of Surface Water Transmission Line, Segment W3C, for the GRP Program; (v) Work Order No. 4 to the professional services agreement with IDS Engineering Group, Inc., in the amount of \$122,870.00, for engineering of receiving facilities at Montgomery County MUD No. 99 Water Plant for the GRP Program; (vi) a professional services agreement and Work Order No. 1 with Brown & Gay Engineers, Inc., in the amount of \$121,216.00, for support of extension of GRP Program Delivery System; and to: (vii) adopt the resolution entitled, *"Resolution Declaring the Existence of a Public Necessity for the Construction of Facilities for the Transportation, Distribution and Delivery of Water, Including Reasonable and Necessary Appurtenances Thereto, and Authorizing the Acquisition, by*

Donation, Purchase, or Exercise of Power of Eminent Domain, of Property and Property Interests Necessary for Such Facilities, Including Communication Facilities", attached hereto as Exhibit "D"; and to authorize the General Manager to execute: (viii) an engagement letter agreement with Andrews Kurth, L.L.P., in the amount of \$100,000.00, for legal services related to land acquisition of extension of GRP Program Delivery System; and (ix) a professional services agreement and Work Order No. 1 with Property Acquisition Services, Inc., in an amount not to exceed \$200,000.00, for land acquisition support services for extension of GRP Program Delivery System.

Mr. Kelling presented the next item on the agenda and motion was made by Mr. Montgomery, seconded by Mr. Eckstrum and unanimously approved, to authorize the General Manager to execute the first amendment to the utility relocation agreement with Consolidated Communications of Texas Company, in the amount of \$19,424.26, for the GRP Program.

Moving to the next item on the agenda, Mr. Kelling presented information and motion was made by Ms. Rummell, seconded by Mr. Eckstrum and unanimously approved, to authorize the General Manager to execute Work Order No. 2 to the professional services agreement with Freese and Nichols, Inc., in the amount of \$110,000.00, for a Phase II Feasibility Study of the Catahoula Demonstration Well.

Mr. Tisdale announced that the Board would recess into Executive Session. At 9:36 a.m. the Board recessed into Executive Session. With a quorum still present, the Board reconvened at 10:08 a.m.

Mr. Tisdale announced the next Board meeting date of March 27, 2014, at 7:30 a.m.

There being no further business to come before the Board, the meeting was adjourned at 10:08 a.m.



Mary L. Rummell
Secretary
San Jacinto River Authority

Exhibit A

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS
FOR INVESTMENT TRANSACTIONS

WHEREAS, the San Jacinto River Authority (the "Authority") is a conservation and reclamation district and a governmental agency and political subdivision of the State of Texas, created and operating under the provisions of Chapter 426, Acts of the 45th Texas Legislature, Regular Session, 1937, enacted pursuant to Article XVI, Section 59 of the Constitution of Texas; and

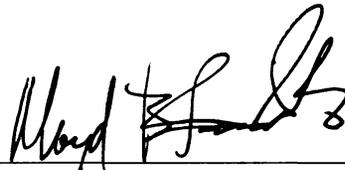
WHEREAS, Chapter 2256, Texas Government Code, as amended (the "Investment Act"), requires that the Board of Directors of the Authority adopt a specific list of qualified brokers with whom the Authority is authorized to engage in investment transactions; Now, Therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY THAT:

Section 1: The Authority shall be authorized to engage in investment transactions with the financial institutions, brokers and dealers listed in Exhibit "A" hereto.

Section 2: This Resolution shall be effective from and after its adoption and shall remain in force and effect until modified by further action of the Board of Directors. Any similar resolution heretofore adopted by the Board of Directors shall be and is hereby repealed, revoked and rescinded as of the effective date hereof.

PASSED AND APPROVED this 27th day of February, 2014.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)

EXHIBIT "A"

LIST OF AUTHORIZED BROKERS

Allegiance Bank Texas
Ameegy Bank, N.A.
American Bank of Commerce (ABC Bank)
American Bank of Texas
Bank of America/Merrill Lynch
Bank of America N.A.
Bank of Houston
Bank of Texas/BOKF, N.A.
Bank of the West
BBVA – Compass Bank
Beal Bank SSB
Blackrock Investments, Inc.
BOSC, Inc.
Cadence Bank, N.A.
Capital Bank of Texas
Capital One
Central Bank
Chasewood Bank
Citibank N.A.
Coastal Securities, Inc.
Comerica Bank
Commercial State Bank
Community Bank of Texas
Edward Jones
Enterprise Bank
Federated Investors Inc.
Fidelity Investments
First Bank
First Banks, Inc.
First Bank and Trust East Texas
First Citizens Bank
First Community Bank
First National Bank Texas
First Service Credit Union
First Southwest Company
First Southwest Asset
Management, Inc.
First State Bank Central Texas
First Texas Bank
FiServ Investor Services
Frost National Bank
Green Bank
Herring National Bank
HomeTown Bank, N.A.
Houston Community Bank N.A.
Icon Bank
Independent Bank
International Bank of Commerce
Inter National Bank
J.P. Morgan Securities LLC
JPMorgan Chase Bank, N.A.
Legacy Texas Bank
Legg Mason, Inc.
Libertad Bank
LOGIC (Local Gov't. Investment
Cooperative)
Lone Star Bank
Lone Star Investment Pool/First Republic
Memorial City Bank
Metro Bank N.A.
MidSouth Bank, N.A.
Moody National Bank
Morgan Stanley/Smith Barney
NewFirst National Bank
Omni Bank N.A.
Patriot Bank
PlainsCapital Corporation/First National Bank
Plains State Bank
Post Oak Bank
Preferred Bank
Prosperity Bank
Raymond James/Morgan Keegan
RBC Capital Markets/RBC Investments
Regions Bank
Security State Bank N.A.
Southwest Securities, Inc.
Sovereign Bank
Spirit of Texas Bank SSB
State Bank of Texas
State Street Bank & Trust Co.
Texan Bank
Texas Capital Bank
Texas Citizens Bank
Texas C.L.A.S.S.
Texas Exchange Bank
Texas First Bank
Texas Independent Bank (TIB)
Texas Savings Bank SSB
TexPool/TexPool Prime
Tex Star Investment Pool
The Bank of New York Mellon
The Bank of New York Mellon
Trust Company, N.A.
The Bank of River Oaks
The First National Bank of Bastrop
Third Coast Bank S.S.B.
Tradition Bank
Tri-Star Financial
Trustmark National Bank
UBS Financial Services, Inc.
UBS Securities LLC.
United Bank of El Paso del Norte
Unity National Bank
U.S. Bank, N.A.
Vista Bank Texas
Wallis State Bank
Wells Fargo Advisors
Wells Fargo Bank, N.A.
Wells Fargo Investments, LLC
Wells Fargo Securities, LLC
Westbound Bank
West Star Bank
Whitney Bank
Woodforest National Bank

Effective as of January 1, 2014

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

I, the undersigned General Manager of the San Jacinto River Authority (the "Authority"), hereby certify as follows:

1. That I am the duly qualified and acting General Manager of the Authority, and that as such, I have custody of the minutes and records of the Authority.

2. That the Board of Directors of the Authority convened in Regular Session on February 27, 2014, at the regular meeting place thereof, and the roll was called of the duly constituted officers and members of the Board of Directors, to-wit:

Lloyd B. Tisdale	President
R. Gary Montgomery	Vice President
Mary L. Rummell	Secretary
Joseph L. Stunja	Treasurer
Fred Koetting	Director
John D. Eckstrum	Director
Michael Bleier	Director

and all of said persons were present, except N/A, thus constituting a quorum, whereupon, among other business, the following was transacted at such meeting: a written

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS
FOR INVESTMENT TRANSACTIONS

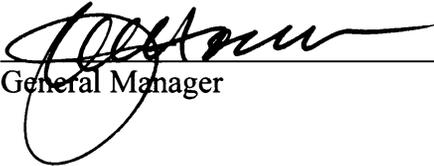
was duly introduced for the consideration of the Board of Directors. It was then duly moved and seconded that such Resolution be adopted and, after due discussion, such motion, carrying with it the adoption of such Resolution, prevailed and carried by the following vote:

AYES: All members present voted "Aye".
NOES: None.

3. That a true and correct copy of such Resolution adopted at such meeting is attached to and follows this certificate; that such Resolution has been duly recorded in the minutes of the Board of Directors for such meeting; that the persons named in the above and foregoing Paragraph 2. were the duly chosen, qualified and acting officers and members of the Board of Directors as indicated therein, that each was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of such meeting, and that such Resolution would be introduced and considered for adoption at such meeting, and that each consented in

advance, to the holding of such meeting for such purpose; that the canvassing of the officers and members of the Board of Directors present at and absent from such meeting and of the votes of each on such motion, as set forth in the above and foregoing Paragraph 2., is true and correct; that such meeting was open to the public as required by law; and that sufficient and timely notice of the hour, date, place and subject of such meeting was given and posted as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED the 27th day of February, 2014.



General Manager

(SEAL)

Exhibit B

**RESOLUTION DELEGATING AUTHORITY TO SUSPEND WITHHOLDING OF
ADDITIONAL RETAINAGE FROM CONSTRUCTION PROGRESS PAYMENTS**

WHEREAS, San Jacinto River Authority (the "Authority") is a conservation and reclamation district, body politic and corporate and a governmental agency of the State of Texas created and operating under the provisions of Chapter 426, Acts of the 45th Texas Legislature, Regular Session, 1937, as amended (the "Act"), enacted pursuant to the provisions of Section 59 of Article XVI of the Texas Constitution; and

WHEREAS, the Authority is subject, in part, to the provisions of Chapter 49, Texas Water Code; and

WHEREAS, Section 49.276, Texas Water Code, makes provision for the withholding of retainage on progress payments to construction contractors; and

WHEREAS, the Board of Directors (the "Board") of the Authority deems it necessary and proper at this time to delegate authority to the General Manager of the Authority, or the Deputy General Manager of the Authority, to suspend the additional withholding of retainage of construction progress payments after fifty percent of the construction work has been satisfactorily completed, to the extent that Section 49.276, Texas Water Code, is applicable to such work.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
THE SAN JACINTO RIVER AUTHORITY, AS FOLLOWS:**

Section 1: Recitals. The matters and facts recited in the preamble of this Resolution are hereby found and determined to be true and correct.

Section 2: Findings. For construction work subject to Section 49.276, Texas Water Code, ten percent of the estimated progress payment for construction work is required to be retained by the Authority until final completion and acceptance of the construction work. Section 49.276, Texas Water Code, further provides, in part, that if the Board at any time after fifty percent of the construction work has been completed finds that satisfactory progress is being made, it may authorize any of the remaining progress payments to be made in full. The Board hereby finds and declares that the staff and management of the Authority, including, particularly, the Division Managers, the Deputy General Manager, and the General Manager, are uniquely qualified to make a finding that satisfactory progress is being made for purposes of such provision of Section 49.276, Texas Water Code.

Section 3: Delegation of Authority; Applicability. The Board hereby delegates authority to the duly designated and acting General Manager of the Authority, and to the Deputy General Manager of the Authority, to suspend the withholding of retainage and make payment in full of construction progress payments due an owning under any construction contract after fifty percent of the construction work has been satisfactorily completed, based on the recommendation of the Division Manager. The foregoing delegation of Authority is applicable only with respect to progress payments for construction work subject to Section 49.276, Texas Water Code.

Section 4: References. Unless expressly provided otherwise, all references herein to the constitution of the State of Texas, the Act, Texas Water Code, or any other special or general laws of the State of Texas shall mean and refer to the constitution or such laws as amended and in effect as of this Resolution is passed and adopted.

Section 5: Amendments. The Board hereby reserves the right to amend this Resolution as deemed necessary and appropriate.

Section 6: Effective Date. This Resolution shall be effective upon its adoption and shall remain in effect until amended or rescinded by the Board.

APPROVED and ADOPTED this 27th day of February, 2014.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)

notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Resolution would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by Texas Government Code § 551.043, as amended, and § 49.063 of the Texas Water Code, as amended.

SIGNED AND SEALED the 27th day of February, 2014.


Secretary, Board of Directors

(SEAL)

Exhibit C

WHEREAS, it is necessary, proper, and in the public interest, and a public necessity exists, for the Authority to acquire, by donation, purchase, or exercise of the power of eminent domain, the properties, rights-of-way, easements, and other property interests necessary for the construction, installation, operation, and maintenance of the Facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. The declarations, determinations, and findings declared, made, and found in the preamble to this Resolution are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Acquisition of Property and Property Interests.

- A. There exists a public necessity and it is in the public interest for the Authority to acquire, by donation, purchase, or exercise of the power of eminent domain, properties, rights-of-way, easements, and other property interests for the construction, installation, operation, and maintenance of the Facilities and communication facilities at the locations and along the general route depicted in Exhibit A; and
- B. In the event the necessary properties, rights-of-way, easements, and other property interests cannot be acquired voluntarily, the Authority's legal counsel, under the direction of the Authority's General Manager or the Deputy General Manager, is authorized to initiate proceedings to acquire such properties through the power of eminent domain.

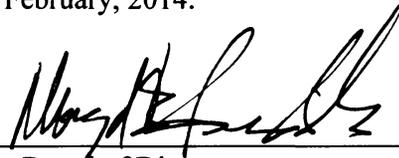
Section 3. Delegation of Authority. The Board of the Authority hereby delegates to the Authority's General Manager or the Deputy General Manager the following duties and responsibilities with respect to the design and development of the Facilities and communication facilities and the acquisition of properties and property interests necessary for the construction, installation, operation, and maintenance of such Facilities:

- A. To determine, in consultation with the Authority's engineers, the final location, alignment, and route for the Facilities to be constructed and installed;
- B. To determine the properties and property rights to be acquired and the terms for such acquisitions, including, as the General Manager or the Deputy General Manager may determine to be necessary and appropriate, whether to acquire fee simple interests, permanent or temporary easements, or other property interests;
- C. To negotiate, or to delegate the authority to negotiate to such other entities or individuals as the General Manager or the Deputy General Manager may deem to be appropriate, with the respective owners of the public and private properties on and across which the Facilities are to be constructed and installed regarding the acquisition of the properties and property interests determined to be necessary for the construction, installation, operation, and maintenance of such Facilities;

- D. To arrange for, or to delegate to such other entities or individuals as the General Manager or the Deputy General Manager may deem appropriate the authority to arrange for, the preparation of surveys across and appraisals of the properties and property interests on and across or upon which the Facilities are to be constructed and installed and to commence eminent domain proceedings necessary to acquire such properties and property interests; and
- E. To do and perform all such other acts and things and to enter into, execute, and deliver all such certificates, agreements, applications, affidavits, acknowledgements, instruments, contracts, statements, and other documents that, in the judgment of the General Manager or the Deputy General Manager, are necessary or appropriate to effectuate and carry out the purposes and intent of the foregoing resolutions.

Section 5. Effective Date. This Resolution shall be effective upon its adoption and shall remain in effect until amended or rescinded by the Board of the Authority.

APPROVED and ADOPTED this 27th day of February, 2014.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)

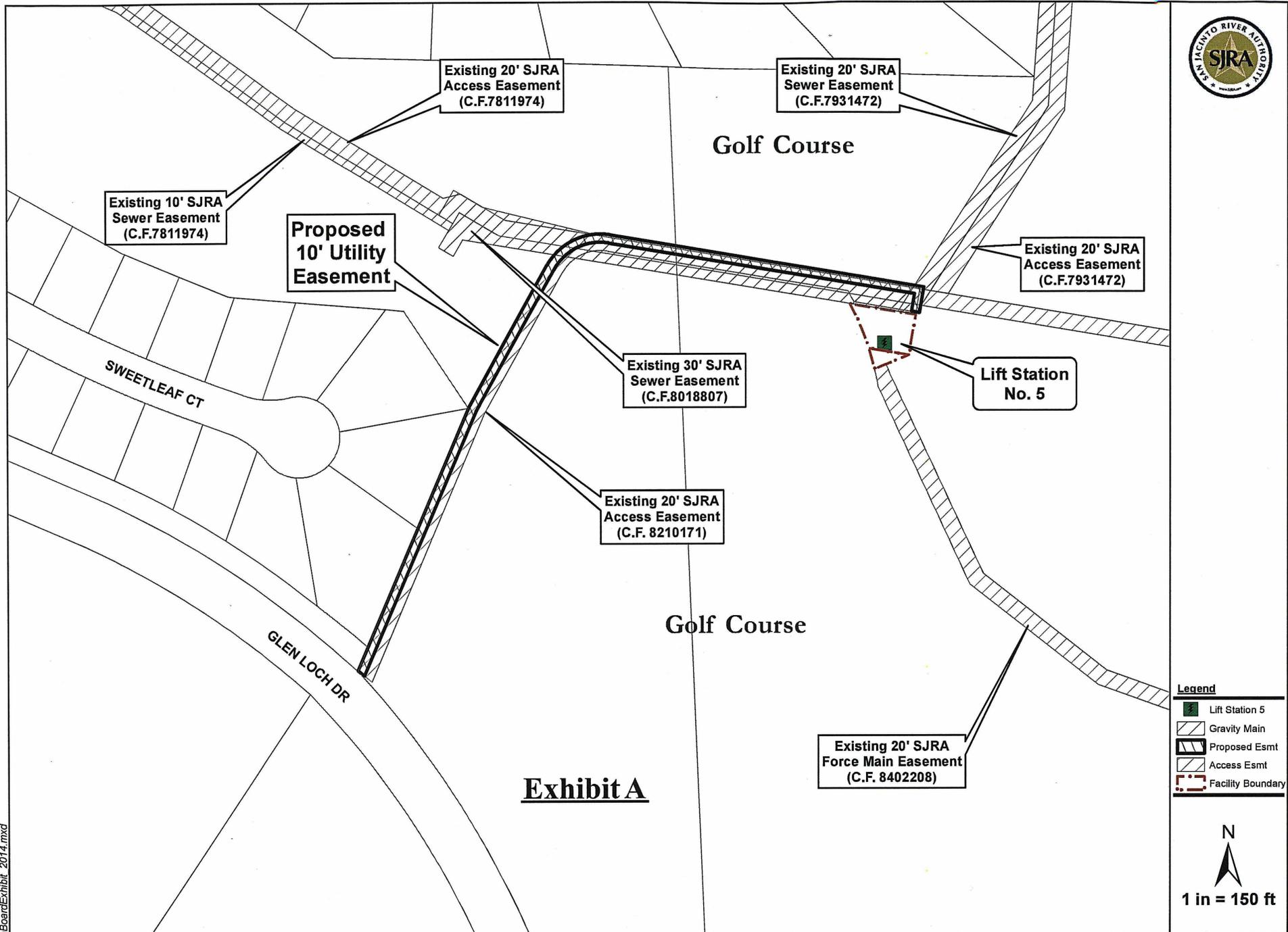


Exhibit A

Proposed 10' Utility Easement to Lift Station No. 5 (26640 Glen Loch Drive)

CERTIFICATE OF RESOLUTION

STATE OF TEXAS §

COUNTY OF MONTGOMERY §

I, the undersigned Secretary of the Board of Directors (the "Board") of the San Jacinto River Authority (the "Authority"), hereby certify as follows:

(1) The Board convened in regular session, open to the public, on the 27th day of February, 2014, at the regular meeting place thereof, and the roll was called of the members of the Board, to-wit:

Lloyd B. Tisdale	President
R. Gary Montgomery	Vice President
Mary L. Rummell	Secretary
Joseph L. Stunja	Treasurer
Fred Koetting	Director
John D. Eckstrum	Director
Mike Bleier	Director

All members of the Board were present except the following:
N/A
thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting:

RESOLUTION DECLARING THE EXISTENCE OF A PUBLIC NECESSITY FOR THE CONSTRUCTION OF A NATURAL GAS LINE, INCLUDING REASONABLE AND NECESSARY APPURTENANCES THERETO, TO PROVIDE FUEL FOR A STANDBY GENERATOR TO SERVE WOODLANDS DIVISION SANITARY SEWER LIFT STATION NO. 5, AND AUTHORIZING THE ACQUISITION, BY DONATION, PURCHASE, OR EXERCISE OF THE POWER OF EMINENT DOMAIN, OF PROPERTY AND PROPERTY INTERESTS NECESSARY FOR SUCH FACILITIES

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Resolution be adopted; and, after due discussion, such motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: 7

NOES: 0

(2) A true, full, and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Resolution has been duly recorded in said Board's minutes of such meeting; the above and

foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Resolution would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by Texas Government Code § 551.043, as amended, and § 49.063 of the Texas Water Code, as amended.

SIGNED AND SEALED the 27th day of February, 2014.


Secretary, Board of Directors

(SEAL)

Exhibit D

domain, the properties, rights-of-way, easements, and other property interests necessary for the construction, installation, operation, and maintenance of the Facilities and communication facilities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN JACINTO RIVER AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. The declarations, determinations, and findings declared, made, and found in the preamble to this Resolution are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Acquisition of Property and Property Interests.

- A. There exists a public necessity and it is in the public interest for the Authority to acquire, by donation, purchase, or exercise of the power of eminent domain, properties, rights-of-way, easements, and other property interests for the construction, installation, operation, and maintenance of the Facilities and communication facilities at the locations and along the general routes depicted in Exhibit A for the transportation, distribution, and delivery of water to and within the Authority's boundaries; and
- B. In the event the necessary properties, rights-of-way, easements, and other property interests cannot be acquired voluntarily, the Authority's legal counsel, under the direction of the Authority's General Manager or the Deputy General Manager is authorized to initiate proceedings to acquire such properties through the power of eminent domain.

Section 3. Delegation of Authority. The Board of the Authority hereby delegates to the Authority's General Manager or the Deputy General Manager the following duties and responsibilities with respect to the design and development of the Facilities and communication facilities and the acquisition of properties and property interests necessary for the construction, installation, operation, and maintenance of such facilities and appurtenances:

- A. To determine, in consultation with the Authority's engineers, the final location, alignment, and route for the Facilities and communication facilities to be constructed and installed;
- B. To determine the properties and property rights to be acquired and the terms for such acquisitions, including, as the General Manager or the Deputy General Manager may determine to be necessary and appropriate, whether to acquire fee simple interests, permanent or temporary easements, or other property interests;
- C. To negotiate, or to delegate the authority to negotiate to such other entities or individuals as the General Manager or the Deputy General Manager may deem to be appropriate, with the respective owners of the public and private properties on and across which the Facilities and communication facilities are to be constructed and installed regarding the acquisition of the properties and property interests

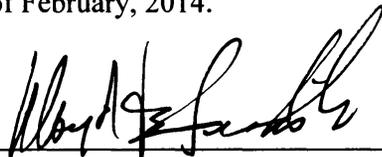
determined to be necessary for the construction, installation, operation, and maintenance of such facilities and appurtenances;

- D. To arrange for, or to delegate to such other entities or individuals as the General Manager or the Deputy General Manager, Operations may deem appropriate the authority to arrange for, the preparation of surveys across and appraisals of the properties and property interests on and across or upon which the Facilities and communication facilities are to be constructed and installed and to commence eminent domain proceedings necessary to acquire such properties and property interests; and
- E. To do and perform all such other acts and things and to enter into, execute, and deliver all such certificates, agreements, applications, affidavits, acknowledgements, instruments, contracts, statements, and other documents that, in the judgment of the General Manager or the Deputy General Manager, are necessary or appropriate to effectuate and carry out the purposes and intent of the foregoing resolutions.

Section 4. Ratification. All actions heretofore taken and performed by the General Manager or the Deputy General Manager, under the authority delegated to him pursuant to any prior Resolution Declaring the Existence of a Public Necessity for the Construction of Facilities, and subsequent such Resolutions, including, but not limited to, the selection of routes for water lines and other facilities and appurtenances, the negotiation for and acquisition of easements and rights-of-way by donation, purchase, or exercise of the power of eminent domain, the design and engineering of water lines and other facilities and appurtenances, the securing of necessary governmental permits, and the entry into contracts for the construction of water lines and other facilities and appurtenances, are hereby approved, ratified, and confirmed in all respects.

Section 5. Effective Date. This Resolution shall be effective upon its adoption and shall remain in effect until amended or rescinded by the Board of the Authority.

APPROVED and ADOPTED this 27th day of February, 2014.



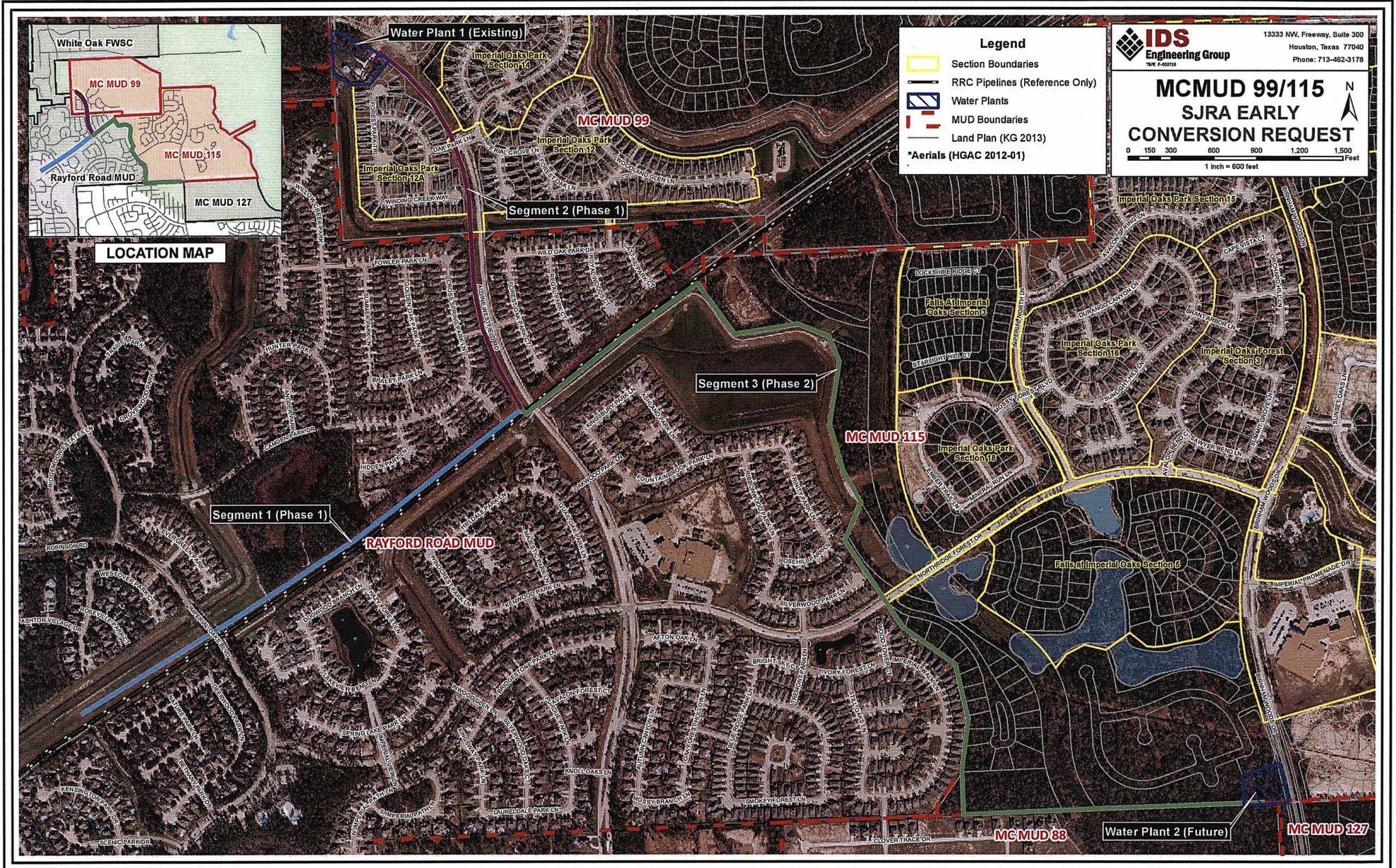
President, Board of Directors

ATTEST:



Secretary, Board of Directors

(SEAL)



pertaining to the adoption of such Resolution; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance of the time, place, and purpose of such meeting and that such Resolution would be introduced and considered for adoption at such meeting and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; such meeting was open to the public, as required by law, and public notice of the time, place and purpose of such meeting was given as required by Texas Government Code § 551.043, as amended, and § 49.063 of the Texas Water Code, as amended.

SIGNED AND SEALED the 27th day of February, 2014.


Secretary, Board of Directors

(SEAL)