

## ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

### MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS

August 18, 2015

The Board of Directors (the "Board") of Rock Prairie Management District No. 2 (the "District") met in special session, open to the public on August 18, 2015, at 809 University Drive East, Suite 101A, College Station, Brazos County, Texas 77840, in accordance with the duly posted notice of special meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

Uri Geva - President  
Hays Glover – Vice President  
Kamal Ariss – Assistant Vice President  
Jeffrey W. Brown - Secretary  
Randall G. Rother – Assistant Secretary

and all of said persons were present, except Directors Geva and Brown, who entered later in the meeting, thus constituting a quorum.

Also present were James Murr of College Station Town Center, L.P. ("CSTC"); Blake McGregor of Edminster, Hinshaw, Russ and Associates, Inc. ("EHRA"); Cory Burton of Municipal Accounts & Consulting, L.P. ("MAC"); and Christina Cole of Schwartz, Page & Harding, L.L.P. ("SPH").

The Vice President called the meeting to order and declared same open for such business as might properly come before it.

#### **APPROVAL OF MINUTES**

As the first order of business, the Board considered approval of the minutes of its meeting held on July 30, 2015. After review and discussion, Director Rother moved that the minutes for said Board meeting be approved, as written. Director Ariss seconded said motion, which unanimously carried.

#### **HEARING ON EXCLUSION OF LAND**

The Vice President next convened a public hearing to consider the exclusion of land from the District. It was noted by Ms. Cole that notice of such public hearing was published with *The Eagle* newspaper, as required by law. Ms. Cole then presented to the Board a metes & bounds description of approximately 1,013.18 acres of land to be excluded from the boundaries of the District. She reminded the Board that the 1,013.18 acres of land proposed for exclusion represents the land owned by landowners who did not elect to have their respective property within the boundaries of the District.

Director Geva entered the meeting at this time.

Ms. Cole advised the Board that, based on information presented by CSTC, the 1,013.18 acres of land proposed for exclusion provides no advantages to the District and that to retain such land within the District (i) would be arbitrary and unnecessary to conserve the public welfare, would impair or destroy the value of such Property, and would constitute the arbitrary imposition of a confiscatory burden; or (ii) to extend to it, either presently or in the future, the benefits, services or protection of the District's facilities would create an undue and uneconomical burden on the remainder of the District. The Board noted that no one had presented any testimony in opposition to the proposed exclusion.

After due deliberation and consideration of the matter, the President closed the public hearing. Ms. Cole then presented to and reviewed with the Board an Order Excluding Land and Redefining the Boundaries of the District. Director Rother moved that said Order be passed and adopted and that the President be authorized to execute and the Secretary authorized to attest same on behalf of the Board and the District. Director Ariss seconded the motion, which carried unanimously. A copy of said Order, as recorded in the Official Public Records of Real Property of Brazos County, Texas is attached hereto as **Exhibit A**.

### **ENGAGEMENT OF ENGINEER**

The Board considered the engagement of an engineer for the District. Mr. McGregor discussed the proposed Engineering Contract by and between the District and EHRA ("Engineering Contract"). Ms. Cole advised the Board that the Engineering Contract had been reviewed by SPH.

Director Brown entered the meeting at this time.

After discussion on the matter, Director Ariss moved that (i) the Board engage EHRA as the engineer for the District, and (ii) that the President be authorized to execute the Engineering Contract on behalf of the Board and the District. Director Rother seconded said motion, which carried unanimously.

### **ENGAGEMENT OF FINANCIAL ADVISOR FOR THE DISTRICT**

There was next presented to the Board, and reviewed by Ms. Cole, a proposed Financial Advisory Contract between the District and First Southwest Company, LLC ("FSW") for financial advisory services in connection with the issuance, sale and delivery of all authorizations of the District's bonds and notes, and setting forth the fees for said services. Ms. Cole advised the Board that said Contract had been reviewed by SPH. After discussion, it was moved by Director Geva, seconded by Director Rother, and unanimously carried that FSW be engaged as the District's financial advisor and that said Financial Advisory Contract be approved.

### **ENGAGEMENT OF BOOKKEEPER**

The Board considered the engagement of a bookkeeper for the District. Mr. Burton presented to and reviewed with the Board a proposed Agreement for Bookkeeping Services by and between the District and MAC ("Bookkeeping Agreement"), for the performance of

bookkeeping services for the District. Ms. Cole advised the Board that said agreement had been reviewed by SPH. It was then moved by Director Geva, seconded by Director Brown, and unanimously carried, that MAC be engaged as bookkeeper for the District and that the Bookkeeping Agreement be approved.

### **DESIGNATION OF DEPOSITORY BANK**

The Board considered the selection of a depository bank for the District. After discussion concerning same, it was moved by Director Glover, seconded by Director Ariss and unanimously carried that (i) Amegy Bank, N.A. be designated as depository for the District, and (ii) that the Order Selecting Depository attached hereto as **Exhibit B** be adopted by the Board.

### **PUBLIC EMPLOYEE BLANKET BOND**

The Board next considered the District's insurance coverages. In that regard, Ms. Cole distributed to the Board an insurance proposal submitted by SIG/McDonald & Wessendorff Insurance ("SIG/McDonald") for the addition of a Public Employee Blanket Bond to the District's insurance coverages, in accordance with Section 49.057(e) of the Texas Water Code. After discussion of the matter, Director Geva moved that the proposal of SIG/McDonald be accepted by the Board. Director Brown seconded said motion, which carried unanimously.

### **RATIFY ACTIONS AND PAYMENTS**

It was called to the attention of the Board that various out-of-pocket expenses had been incurred and actions had been taken for and on behalf of the District in connection with its creation and organization. In connection therewith, Mr. Murr presented to the Board a list of expenses paid by CSTC relative to the creation and organization of the District in the total approximate amount of \$527,000. It was moved by Director Ariss, seconded by Director Glover and unanimously carried that such out-of-pocket expenses and actions taken for and on behalf of the District be ratified, confirmed and approved in all respects, subject to the reasonableness thereof.

### **ESTABLISH RECORDS MANAGEMENT PROGRAM**

Ms. Cole presented to and reviewed with the Board an Order Establishing Records Management Program for the District, attached hereto as **Exhibit C**. Following review and discussion, Director Geva moved that the Order Establishing Records Management Program be approved and that the President be authorized to execute and the Secretary be authorized to attest same on behalf of the District. The motion was seconded by Director Ariss and carried by unanimous vote.

### **DESIGNATE RECORDS MANAGEMENT OFFICER**

Ms. Cole advised the Board that, in accordance with the Texas Local Government Records Act, the Board of Directors must designate a Records Management Officer ("RMO") for the purposes of maintaining the records of the District. Following discussion, Director Geva

moved that the Resolution Designating Records Management Officer designating the Secretary of the Board as the RMO be passed and adopted by the Board and that the President and Secretary be authorized to execute and attest the same on behalf of the District. The motion was seconded by Director Ariss and carried by unanimous vote. A copy of the Resolution thus adopted is attached hereto as **Exhibit D**.

### **RECORDS RETENTION SCHEDULES**

Ms. Cole advised the Board that, pursuant to Section 203.041(a) of the Local Government Records Act, the RMO is required to prepare and file with the Texas State Library and Archives Commission ("TSLAC") records retention schedules listing all records created or received by the District and the retention period for General, Election, Public Works, Property Taxation and Utility Service records. She advised the Board that in lieu of such filing, the District may adopt the TSLAC's promulgated records retention schedules and file a Declaration of Compliance of same with the TSLAC. Ms. Cole then presented and reviewed with the Board a Resolution Concerning Records Retention Schedules. Following discussion, Director Geva moved that the TSLAC's promulgated form of records retention schedules be adopted pursuant to such Resolution, that the President and Secretary be authorized to execute and attest the same, and that the RMO be authorized to execute and file the Declaration of Compliance with the TSLAC. The motion was seconded by Director Ariss and carried by unanimous vote. The Resolution Concerning Records Retention Schedules is attached hereto as **Exhibit E**.

### **DEVELOPER'S REPORT**

The Board considered the Developer's Report. Mr. Murr provided the Board with an update regarding the proposed development plan for the District.

Ms. Cole then presented to and reviewed with the Board a (i) Utility Development Agreement by and between the District and CSTC for water, sanitary sewer and drainage facilities, and a (ii) Utility Development Agreement by and between the District and CSTC for road facilities (collectively, the "CSTC Development Agreements"). After discussion on the matter, Director Brown moved that the CSTC Development Agreements be approved, as presented, and that the President be authorized to execute same on behalf of the Board and District. Director Glover seconded said motion, which unanimously carried.

### **SURVEY OF WAGE RATE SCALES AND ADOPTION OF RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS**

The Board considered the review and approval of a survey of prevailing wage rates for construction projects and the adoption of a resolution in connection therewith. Mr. McGregor reported that EHRA is recommending that the District adopt the United States Department of Labor ("DOL") wage rate scale applicable to Brazos County (the "County"), as permitted under Section 2258.022 of the Government Code. After discussion on the matter, Director Ariss moved that (i) the DOL wage rate scale be adopted as the District's prevailing wage rate scale for construction projects, (ii) the Resolution Adopting Prevailing Wage Rate Scale for Construction Projects attached hereto as **Exhibit F** be adopted by the Board, and (iii) that the President be

authorized to execute and the Secretary to attest same on behalf of the Board and District. Director Brown seconded said motion, which motion passed with Directors Glover, Ariss, Brown and Rother voting "aye". Director Geva abstained from voting on the matter.

**RESOLUTION ESTABLISHING CRITERIA FOR SURETIES REGARDING PAYMENT AND PERFORMANCE BONDS**

The Board considered the adoption of a Resolution Establishing Criteria for Sureties Regarding Payment and Performance Bonds, attached hereto as **Exhibit G**. Ms. Cole advised the Board that in accordance with the provisions of Section 375.221(a), Texas Local Government Code and Section 49.271, Texas Water Code, the District is entitled to adopt minimum criteria for sureties issuing payment and performance bonds on its construction contracts. In that regard, Ms. Cole reported that EHRA had recommended that the surety company have a minimum criteria rating of at least an "A" in the current Best Key Rating Guide. Following discussion on the matter, Director Brown moved that the attached Resolution Establishing Criteria for Sureties Regarding Payment and Performance Bonds be approved by the Board at this time, and that the President and Secretary be authorized to execute and attest same on behalf of the Board and the District. Director Ariss seconded said motion, which unanimously carried.

**ORDER DETERMINING NO IMPACT AND ESTABLISHING PROCEDURES IN COMPLIANCE WITH THE TEXAS PRIVATE REAL PROPERTY RIGHTS PRESERVATION ACT**

The Board considered the adoption of an Order Determining No Impact and Establishing Procedures in Compliance with the Texas Private Real Property Rights Preservation Act, attached hereto as **Exhibit H**. Ms. Cole presented and discussed in detail with the Board the proposed Order. After discussion, Director Geva moved that the Board adopt the attached Order Determining No Impact and Establishing Procedures in Compliance with the Texas Private Real Property Rights Preservation Act and that the President and Secretary be authorized to execute same on behalf of the Board and the District. Director Rother seconded said motion, which carried unanimously.

**ORDER ESTABLISHING POLICY FOR INVESTMENT OF DISTRICT FUNDS AND APPOINTING INVESTMENT OFFICER**

Ms. Cole next advised that, pursuant to Chapter 2256, Texas Government Code (Public Funds Investment Act) and Section 375.096(4), Texas Local Government Code, the Board of Directors of the District is required to adopt a written policy governing the investment of District funds and to appoint one or more investment officers ("Investment Officer(s)") to be responsible for the investment of such funds. Ms. Cole then presented the Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy"), attached hereto as **Exhibit I**, and reviewed same with the Board. She advised the Board as to the specific responsibilities and duties of the Investment Officer and the District's Bookkeeper and Tax Assessor/Collector under the proposed Investment Policy, and reviewed the requirements that the Investment Officer, Bookkeeper and Tax Assessor/Collector attend investment training as set forth therein.

Ms. Cole then reviewed with the Board the general investment principles set forth in the Investment Policy and the types of investments authorized by the Public Funds Investment Act. After discussion on the Investment Policy, Director Brown moved that (i) the Investment Policy be passed and adopted as discussed; (ii) that Mark M. Burton and Ghia Lewis of MAC, be designated the District's Investment Officer; and (iii) that the Investment Officer be authorized to attend investment training seminars as required by applicable law. Director Rother seconded said motion, which unanimously carried.

Ms. Cole then presented to and reviewed with the Board a Public Funds Collateral Security Agreement ("CSA") by and between the District and Amegy Bank, N.A. In connection therewith, she advised the Board that Amegy has agreed to the District's form of CSA attached as an exhibit to the Investment Policy. After discussion, Director Geva moved, it was seconded by Director Rother and unanimously carried, that the CSA be approved and the President be authorized to execute same on behalf of the Board and the District.

#### **ADOPTION OF RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED TO ENGAGE IN INVESTMENT TRANSACTION WITH DISTRICT**

Ms. Cole advised the Board that, pursuant to the Public Funds Investment Act, the Board is required to adopt a list of qualified brokers authorized to engage in investment transactions with the District, and further that such list is to be reviewed and, if necessary, revised at least annually. In that regard, Ms. Cole presented a list of financial institutions, brokers and dealers and reviewed same with the Board. She noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion, Director Glover moved that the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District, attached hereto as **Exhibit J**, be adopted by the Board, and that the President and Secretary be authorized to execute and attest same on behalf of the Board and the District. Director Ariss seconded said motion, which unanimously carried.

#### **RESOLUTION ESTABLISHING A FISCAL YEAR**

The Board next considered establishing a fiscal year for the District. After discussion on the matter, on motion made by Director Glover, seconded by Director Ariss, and carried by unanimous vote, the Board established the District's fiscal year to be from June 1 through May 31, and adopted the Resolution Establishing a Fiscal Year attached hereto as **Exhibit K**.

#### **OPERATING BUDGET FOR FISCAL YEAR ENDING MAY 31, 2016**

Mr. Burton presented for the Board's review a proposed operating budget for the fiscal year ending May 31, 2016. In connection therewith, Ms. Cole advised the Board that, pursuant to Section 7(e) of the City of College Station, Texas (the "City") Resolution No. 07-09-15-02 (which provided the City's consent to the creation of the District), the City shall have the right to review the District's annual budget. After discussion on the proposed budget, Director Ariss moved that SPH be authorized to forward the District's proposed budget for the fiscal year

ending May 31, 2016 for the City's review and comment prior to adoption at the next Board meeting. Director Geva seconded said motion which unanimously carried.

### **ESTABLISHMENT OF REGULAR MEETING DATE AND TIME FOR BOARD OF DIRECTORS**

The Board deferred consideration of the establishment of a regular meeting date and time for the Board of Directors of the District.

### **BOND AUTHORIZATION REPORT**

The Board next considered approval of a Bond Authorization Report in connection with the proposed Bond and Maintenance Tax Election (the "Election") to be held November 3, 2015. Mr. McGregor presented to and reviewed with the Board a Bond Authorization Report, and advised the Board that the construction of the water, sanitary sewer, drainage and storm sewer facilities to fully develop the District calls for the authorization of \$71,400,000 in bonds and the construction of road facilities to fully develop the District calls for the authorization of \$106,600,000 in bonds. After discussion, Director Glover moved that the Board approve the Bond Authorization Report prepared by EHRA in connection with the proposed Election to be held November 3, 2015, subject to SPH review and comment. Director Rother seconded said motion, which carried unanimously.

### **ELECTRONIC VOTING MACHINES**

As the next order of business, Ms. Cole advised that the District is required to supplement the paper balloting process by providing a direct recording electronic ("DRE") voting system that is accessible to disabled individuals in the event the Election is determined to be held on November 3, 2015 within the boundaries of the District rather than within the County on behalf of the District. In that regard, Ms. Cole advised that the District may contract to lease DREs from Election System & Software, LLC. ("ES&S") for an estimated cost of \$2,950.00. After discussion on the matter, it was moved by Director Brown, seconded by Director Geva and unanimously carried, that the District lease DREs from ES&S to be used at the November 3, 2015 Election, if necessary, and that the President be authorized to execute a DRE lease contract with ES&S on behalf of the Board and the District.

### **PAY BILLS**

Mr. Burton requested an operating advance from the developer for future disbursement. Mr. Murr agreed to coordinate same with MAC.

### **SUPPLEMENTAL AGENDA FOR BOND AND MAINTENANCE TAX ELECTION TO BE HELD NOVEMBER 3, 2015**

The Board considered the calling of a Bond and Maintenance Tax Election in accordance with the requirements of the Texas Local Government Code and Texas Water Code. Ms. Cole presented to the Board the Order Calling Bond and Maintenance Tax Election (the "Order"),

attached hereto as **Exhibit L**, calling such election to be held on November 3, 2015. In reviewing the Order with the Board, Ms. Cole advised the Board that that the Texas Water Code and the Texas Election Code authorize the Board to designate an agent to perform certain duties in connection with the Election, and that the Order named Tara M. Johnson as such agent (the "Election Agent"). Ms. Cole further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code, and that the Order provide for such notice to be given by posting same at the locations where notice of meetings of the Board are posted. Ms. Cole also reported to the Board that, in the event the County uses voting centers for the November 3, 2015, election, the District will need to enter into an Interlocal Agreement (Joint Election) by and between the County and the District ("Interlocal Agreement") to hold a joint election. After discussion on the matter, Director Geva moved that (i) said Order be passed and adopted as presented, (ii) the President and Secretary be authorized to execute the Order, (iii) that the Election Agent be authorized and directed to make necessary arrangements for the Election in accordance with the Order, and (iv) the President be authorized to execute the Interlocal Agreement relative to a joint election with the County, if necessary. Director Rother seconded said motion, which unanimously carried.

The Board considered the establishment of fees to be paid to officials for the Election, in the event the election is to be held within the boundaries of the District and not jointly with the County. Ms. Cole advised the Board that in accordance with the Texas Election Code, the rate of pay for judges and clerks shall be determined by the Board, but shall not be less than the federal minimum wage rate. After discussion on the matter, Director Geva moved that the judges and clerks for the Election, including early voting clerks, be paid \$25.00 per hour, if necessary. Director Ariss seconded said motion, which unanimously carried.

**ADOPTION OF ORDER ADOPTING CODE OF ETHICS, EXPENSE POLICY, POLICY RELATING TO CONSULTING SERVICES, UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS, POLICY RELATING TO ADOPTION OF ANNUAL OPERATING BUDGET, AND CREATING AN AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

The Board next considered the adoption of District policies relating to ethics, travel expenditures, investments, review and evaluation of professional services and accounting and auditing procedures, all in accordance with Chapter 375, Texas Local Government Code. After discussion on the matter, Director Brown moved that the Order Adopting a Code of Ethics, Expense Policy, Policy Relating to Consulting Services, Uniform Financial Accounting and Reporting Standards, Policy Relating to adoption of Annual Operating Budget, and Creating an Audit Committee of the Board of Directors attached hereto as **Exhibit M** be adopted and that the President be authorized to execute the Order and the Secretary to attest same on behalf of the Board and District. Director Ariss seconded said motion, which carried unanimously.

**FUTURE AGENDA ITEMS**

The Board considered items for placement on future agendas. In connection therewith, Ms. Cole reported that the Board will need to meet to declare the results of the Election at the November 13, 2015, Board meeting.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Ariss, seconded by Director Brown, and unanimously carried, the meeting was adjourned.

397254.1



  
Secretary  
Asst.

## LIST OF ATTACHMENTS

- Exhibit A      Order Excluding Land and Redefining the Boundaries of the District
- Exhibit B      Order Selecting Depository
- Exhibit C      Order Establishing Records Management Program for the District
- Exhibit D      Resolution Designating Records Management Officer
- Exhibit E      Resolution Concerning Records Retention Schedules
- Exhibit F      Resolution Adopting Prevailing Wage Rate Scale for Construction Projects
- Exhibit G      Resolution Establishing Criteria for Sureties Regarding Payment and Performance Bonds
- Exhibit H      Order Determining No Impact and Establishing Procedures in Compliance with the Texas Private Real Property Rights Preservation Act
- Exhibit I      Order Establishing Policy for Investment of District Funds and Appointing Investment Officer
- Exhibit J      Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District
- Exhibit K      Resolution Establishing a Fiscal Year
- Exhibit L      Order Calling Bond and Maintenance Tax Election
- Exhibit M      Order Adopting a Code of Ethics, Expense Policy, Policy Relating to Consulting Services, Uniform Financial Accounting and Reporting Standards, Policy Relating to adoption of Annual Operating Budget, and Creating an Audit Committee of the Board of Directors

# **EXHIBIT A**

\*\*\*\* Electronically Filed Document \*\*\*\*

**Brazos County, TX  
Karen McQueen  
County Clerk**

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Document Number: 2015-1240875  
Recorded As : ERX-RECORDINGS

Recorded On: August 20, 2015  
Recorded At: 09:23:42 am  
Number of Pages: 14  
Book-VI/Pg: Bk-OR VI-12896 Pg-154  
Recording Fee: \$72.00

**Parties:**

Direct-  
Indirect-

Receipt Number: 553789  
Processed By: Becky Wright

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\*\*\*\*\* THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY  
because of color or race is invalid and unenforceable under federal law.



I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded in the volume and page of the Official Public records of BRAZOS COUNTY, TEXAS

Honorable Karen McQueen, County Clerk, Brazos County

CERTIFICATE FOR  
ORDER EXCLUDING LAND FROM  
ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2;  
REDEFINING THE BOUNDARIES OF THE DISTRICT; AND CONTAINING  
OTHER PROVISIONS RELATING TO THE SUBJECT

I, the undersigned Secretary of the Board of Directors (the "Board") of Rock Prairie Management District No. 2 (the "District"), hereby certify as follows:

1. The Board, composed as follows:

Uri Geva, President  
Hays Glover, Vice President  
Karnal Ariss, Assistant Vice President  
Jeffrey W. Brown, Secretary  
Randall G. Rother, Assistant Secretary

met in special session, open to the public, on August 18, 2015, at 809 University Drive East, Suite 101A, College Station, Brazos County, Texas 77840, and all of the members of the Board were present, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting: A written

ORDER EXCLUDING LAND FROM  
ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2;  
REDEFINING THE BOUNDARIES OF THE DISTRICT; AND CONTAINING  
OTHER PROVISIONS RELATING TO THE SUBJECT

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

AYES: 5

NOES: 0

2. A true, full and correct copy of the aforesaid Order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; such Order has been duly recorded in the Board's minutes of such meeting; 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 Order would be introduced and considered for adoption at such meeting; and such meeting was open to the public, and public notice of the time, place and purpose of such meeting was given, all as required by Section 49.063, Texas Water Code and Chapter 551, Texas Government Code.

SIGNED AND SEALED this 18th day of August, 2015.



By: *Brown*  
Secretary, Board of Directors

3863341

ORDER EXCLUDING LAND FROM  
ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2;  
REDEFINING THE BOUNDARIES OF THE DISTRICT; AND CONTAINING  
OTHER PROVISIONS RELATING TO THE SUBJECT

WHEREAS, Rock Prairie Management District No. 2 (the "District") has not previously held an election at which approval was given for the issuance of bonds payable in whole or in part from taxes; and

WHEREAS, pursuant to an order of the Board of Directors (the "Board") of the District, duly adopted on July 30, 2015, the Secretary of the Board was directed to and has caused to be published notice of a hearing to consider the exclusion of lands or other properties from the District in *The Eagle*, a newspaper of general circulation within the District, once a week for two (2) consecutive weeks, with the first such publication being at least fourteen (14) days prior to the day of such hearing; and

WHEREAS, such notice set forth the time and place of the hearing to consider the exclusion of lands or other properties from the District and advised all interested property owners of their right to present petitions for exclusions of land or other property and to offer evidence in support of the petitions and their right to contest any proposed exclusion based on either a petition or the Board's own conclusions and to offer evidence in support of the contest; and

WHEREAS, the hearing for considering the exclusion of lands or other properties from the District was called for, convened and conducted by the Board on this, the 18th day of August, 2015, at the time and place fixed therefor, and oral testimony and documentary evidence was presented at such hearing in support of the exclusion from the District of the lands described in Exhibit A, attached hereto and made a part hereof for all purposes, and no protests or evidence in opposition to the exclusion of such lands from the District was offered; and

WHEREAS, the Board now deems it necessary and proper to enter an Order setting forth the Board's own conclusions with respect to the exclusion of lands or other properties from the District and excluding certain lands from the District and redefining the boundaries of the District; Now, Therefore,

BE IT ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2, THAT:

Section 1: The recitations, matters and facts set forth in the preamble to this Order are hereby found, determined and declared to be in all respects true, complete and correct.

Section 2: After considering all engineering data and other evidence presented to the Board, it is hereby found, determined and declared by the Board that to exclude the land described in Exhibit A from the District would be practicable, just or desirable in that (i) to retain the land described in Exhibit A to this Order within the District's taxing power would be

arbitrary and unnecessary to conserve the public welfare, would impair or destroy the value of such Property, and would constitute the arbitrary imposition of a confiscatory burden; or (ii) to retain the land described in Exhibit A to this Order in the District and to extend to it, either presently or in the future, the benefits, services or protection of the District's facilities would create an undue and uneconomical burden on the remainder of the District.

Section 3: All of the land described in Exhibit A to this Order is hereby excluded from the District.

Section 4: The boundaries of the District, taking into account the exclusion of land from the District set forth above in this Order, are hereby redefined to include all of the area described in Exhibit B attached hereto and made a part hereof for all purposes.

Section 5: It is hereby found, determined and declared that notice of such hearing concerning the exclusion of land from the District and notice of this meeting of the Board at which such hearing was conducted were published, given and posted as required by Sections 49.063 and 49.304, Texas Water Code, as amended, and Chapter 551, Texas Government Code, as amended, and that all acts, conditions and things required to exist and to be done precedent to the exclusion of such lands from the District to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner as required by law.

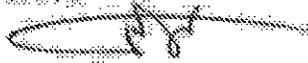
Section 6: A certified copy of this Order shall be promptly filed in the Real Property Records of Brazos County, Texas, and with the Texas Commission on Environmental Quality, as required by law.

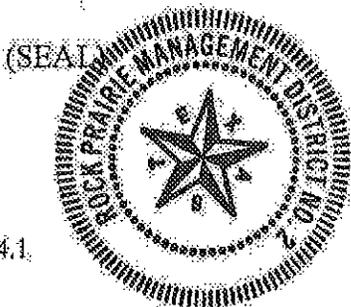
PASSED AND ADOPTED this 18th day of August, 2015.

ATTEST:

  
Secretary  
Board of Directors

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
President  
Board of Directors



386334.1

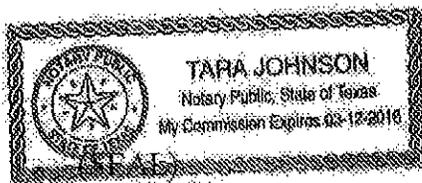
THE STATE OF TEXAS

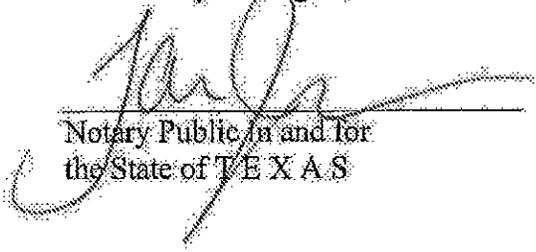
COUNTY OF BRAZOS

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Before me, the undersigned authority, on this day personally appeared Uri Geva, President of the Board of Directors of Rock Prairie Management District No. 2 and Jeffrey W. Brown, Secretary of said Board, who, upon their oaths stated that they are President and Secretary, respectively, of said Board; that the foregoing order was passed and entered by said Board as shown therein; and that said Uri Geva was duly authorized to execute and said Jeffrey W. Brown to attest same; and said Uri Geva acknowledged to me that he is the President of said District; that said instrument was the act of said District; and that he executed same as the act and deed of said District for the purposes and consideration therein expressed, and in the capacity therein stated.

Witness my hand and the seal of office, this the 18th day of August, 2015.



  
Notary Public in and for  
the State of TEXAS

386334.1

# EXHIBIT A

## Joe Orr, Inc.

A BASELINE CORPORATION CO.  
Post Office Box 11979  
College Station, TX 77842-1979  
(979) 693-2777  
TBPLS Firm no. 100344-00

Municipal Management District Two  
Non-Participating Tracts – 1031.18 acres  
College Station, Texas  
July 2015

All that certain tract or parcel of land lying and being situated in the Thomas Caruthers league (abstract no. 9) and Robert Stevenson league (abstract no. 54) in College Station, Brazos County, Texas, generally being the undeveloped area between State Highway no. 6 and Rock Prairie Road East, from Medical Avenue to William D. Fitch Parkway, including the adjoining right-of-way of Rock Prairie Road East, save and except several subdivisions and privately-owned tracts, and the boundary being more particularly described as follows:

Beginning at the southeast corner of Lot 1, Rock Prairie Baptist Church subdivision (vol. 7312, pg. 207), from where City of College Station GPS control monument no. 9 bears S 88° 50' 15" E – 2550.7 feet.

Thence N 20° 22' 54" W – 600.82 feet along the common boundary of the said Lot 1 and the Goen 13.95-acre tract (vol. 10424, pg. 40) to its intersection with the proposed south right-of-way line of Rock Prairie Road East (115 ft. width);

Thence along the said south right-of-way lines of Rock Prairie Road East (57.5 feet south of the surveyed centerline) as follows:

N 82° 02' 02" W – 609.40 feet and N 84° 23' 02" W – 543.10 feet,  
to a right-of-way offset corner;

Thence S 0° 42' 23" E – 1.51 feet to another right-of-way offset corner in the south right-of-way line of Rock Prairie Road East (118 ft. width);

Thence along the said south right-of-way lines of Rock Prairie Road East (59.0 feet south of the surveyed centerline) as follows:

N 84° 23' 02" W – 70.75 feet, N 85° 02' 05" W – 1226.41 feet and N 86° 27' 34" W – 1756.74 feet to the east line of Block 7 of the Scott & White Healthcare Subdivision (vol. 10179, pg. 50),

Thence N 2° 42' 34" W – 118.71 feet along an extension of the said east boundary line of Block 7, to a point in the north right-of-way line of Rock Prairie Road East;

Thence along the north right-of-way lines of Rock Prairie Road East (59.0 feet north of the surveyed centerline) as follows:

S 86° 27' 34" E – 1771.13 feet, S 85° 02' 05" E – 1228.54 feet and S 84° 23' 02" E – 10.29 feet to a right-of-way offset point in the common line of the Dale and Reba Conrad 26.25 acre tract (vol. 460, pg. 505) and the Flying Ace Ranch, Ltd. 26.245 acre tract (vol. 3767, pg. 237);

Thence S 24° 22' 52" W – 1.58 feet along said common tract line to another offset point in the north right-of-way line of Rock Prairie Road East;

Thence along the north right-of-way lines of Rock Prairie Road East (57.5 feet north of the surveyed centerline) as follows:

S 84° 23' 02" E – 606.93 feet, S 82° 02' 02" E – 1453.40 feet, S 77° 01' 02" E – 1052.59 feet, S 76° 28' 02" E – 2876.58 feet, S 69° 53' 32" E – 2812.30 feet to the beginning of a tangent curve to the right with a radius of 1057.50 feet, along said curve through a central angle of 11° 43' 34" to a point in the old northeast prescriptive right-of-way fence line, and S 69° 17' 50" E – 269.35 feet along said fence line to the southeast line of the Hartzell Elkins 35.37 acre tract (vol. 1920, pg. 323) and northwest line of William D. Fitch Parkway;

Thence across Rock Prairie Road East as follows:

S 42° 32' 30" W – 32.00 feet to the south corner of said Elkins tract, called to be in the centerline of the road; S 19° 52' 04" W – 36.01 feet to the east corner of the CSISD Transportation Center Subdivision (vol. 11471, pg. 279) at the old right-of-way fence corner post, and S 41° 51' 48" W – 170.08 feet along the southeast line of said CSISD subdivision and northwest line of Fitch Parkway to its intersection with the south right-of-way chamfer of Rock Prairie Road East, being a corner of Lot 1, Block 1 of said CSISD subdivision;

Thence along the south right-of-way lines of Rock Prairie Road East, also being the north lines of said Lot 1, as follows:

N 5° 38' 11" W – 67.56 feet, N 53° 08' 10" W – 112.88 feet to the beginning of a tangent curve to the left with a radius of 942.50 feet, along said curve through a central angle of 16° 45' 22" to the point of tangency, and N 69° 53' 32" W – 551.37 feet to the most northerly corner of said Lot 1, in the southeast line of the Brazos Valley Solid Waste Management Agency, Inc. 76.00 acre Tract II (vol. 9857, pg. 186);

Thence S 41° 51' 48" W – 1842.68 feet, along the common tract line of said Lot 1 and said Tract II, to a corner in a northeast line of the B.V.S.W.M.A. 179.99 acre Tract I;

Thence S 48° 05' 47" E – 941.57 feet, along the common line of said Tract I and the CSISD subdivision to a corner in the northwest right-of-way of William D. Fitch Parkway;

Thence S 41° 51' 48" W – 1425.30 feet, along said northwest right-of-way line, to the south corner of the said B.V.S.W.M.A. Tract I;

Thence S 41° 51' 48" W – 1066.80 feet, continuing along said northwest right-of-way line of William D. Fitch Parkway, to the east common corner of the City of College Station 140.29 acre Tract One (vol. 3900, pg. 188) and Spring Meadows Phase I (vol. 5106, pg. 284);

Thence along the southern boundaries of multiple City of College Station tracts (vol. 3900, pgs. 188 & 223, vol. 5056, pg. 43) as follows:

N 73° 00' 00" W – 496.40 feet, S 51° 00' 00" W – 175.05 feet, N 76° 00' 00" W – 200.00 feet, S 41° 51' 44" W – 51.88 feet, N 70° 46' 00" W – 157.10 feet, S 41° 51' 44" W – 262.67 feet, N 82° 55' 43" W – 700.87 feet, S 41° 52' 26" W – 650.00, N 48° 08' 02" W – 412.47 feet, S 66° 47' 54" W – 827.57 feet, N 47° 45' 25" W – 129.90 feet, S 28° 59' 29" W – 2.01 feet, S 41° 48' 43" W – 336.13 feet, S 48° 45' 08" E – 440.00 feet and S 53° 00' 00" W – 1304.90 feet to the northeast right-of-way line of State Highway no. 6;

Thence along the northeast right-of-way lines of said highway as follows:

N 49° 25' 00" W – 438.00 feet, N 55° 07' 38" W – 201.00 feet, N 49° 25' 00" W – 751.78 feet to the west corner of the City of College Station 36.9 acre tract (vol. 4329, pg. 134), and N 49° 25' 00" W – 1025.93 feet to the south corner of Barron Park Subdivision (vol. 939, pg. 209);

Thence along the southeast, northeast and northwest lines of Lots 1 and 2 of said Barron Park Subdivision as follows:

N 41° 09' 46" E – 1353.16 feet, N 49° 12' 46" W – 88.68 feet to the south corner of the City of College Station 100.64 acre tract (vol. 6927, pg. 226), N 54° 07' 24" W – 291.11 feet, N 64° 27' 21" W – 117.03 feet, N 54° 53' 54" W – 24.95 feet, N 53° 19' 32" W – 113.87 feet, N 49° 26' 59" W – 190.11 feet and S 41° 09' 38" W – 1286.04 feet to the common corner of said Lot 2 and Lot 3 in the northeast right-of-way line of State Highway no. 6;

Thence along the said northeast right-of-way lines of said highway as follows:

N 47° 46' 18" W – 537.86 feet to the southwest common corner of Lot 3 of said Barron Park Subdivision and that City of College Station 46.60 acre tract (vol. 3310, pg. 321), N 47° 46' 48" W – 65.34 feet, N 55° 07' 37" W – 201.00 feet, N 49° 25' 00" W – 600.00 feet and N 44° 08' 33" W – 147.79 feet to the southwest common corner of said 46.60 acre tract and the Barker Subdivision (vol. 5101, pg. 182);

Thence N 38° 51' 07" E – 279.95 feet along the southeast line of said Barker Subdivision to its east corner;

Thence N 47° 42' 16" W – 1053.70 feet along the northeast line of said Barker Subdivision and continuing along the northeast line of Cooper's Subdivision (vol. 4708, pg. 230) to its north corner, also being the east corner of the Harley Subdivision (vol. 3961, pg. 236) and the south corner of the HD-CS Properties, LLC 2.77 acre Tract One (vol. 12046, pg. 74);

Thence along the south, east and north lines of said HD-CS Properties tract as follows:

N 42° 17' 04" E – 175.00 feet, N 47° 42' 56" W – 638.83 feet and S 72° 19' 02" W – 202.14 feet to the northeast line of said Harley Subdivision and a southwest line of the M.D. Wheeler, Ltd. 71.52 acre Tract Two (vol. 3007, pg. 341);

Thence along the southwest lines of said Wheeler Tract Two and continuing along the southeast lines of the Wheeler 10.01 acre Tract One as follows:

N 47° 42' 33" W – 177.08 feet, N 46° 46' 09" W – 304.24 feet, S 21° 27' 46" W – 145.09 feet and S 41° 43' 32" W – 194.25 feet, returning to the northeast right-of-way line of State Highway no. 6;

Thence along the said highway northeast right-of-way lines as follows:

N 42° 27' 25" W – 105.18 feet, N 36° 45' 17" W – 383.87 feet, N 27° 43' 31" W – 192.30 feet and N 34° 27' 26" W – 55.00 feet to the southeast line of Block 4 of the the Scott & White Healthcare Subdivision (vol. 10179, pg. 50);

Thence N 41° 15' 39" E – 1224.44 feet along the common boundary of the said Scott & White subdivision and said Wheeler tracts, to an east corner of said Scott & White subdivision, lying within the right-of-way of Lakeway Drive, in the southwest line of the Perry 25.79 acre tract (vol. 10459, pg. 34);

Thence S 47° 40' 38" E – 251.08 feet along the southwest line of the said Perry 25.79 acre tract to its most southerly corner;

Thence S 64° 40' 08" W – 5.63 feet to the most westerly corner of the College Station Land Investment, LP 231.97 acre tract (vol. 10600, pg. 156);

Thence along the common boundary of the said 231.97 acre tract and the said Wheeler 71.52 acre Tract Two as follows:

S 46° 26' 14" E – 535.34 feet, S 47° 03' 10" E – 128.80 feet, S 48° 14' 35" E – 163.14 feet, S 47° 52' 01" E – 828.48 feet, S 47° 58' 11" E – 372.04 feet and S 57° 11' 22" E – 112.33 feet to the northwest corner of the City of College Station 46.60 acre tract (vol. 3310, pg. 321);

Thence S 68° 16' 02" E – 185.06 feet along the common line of said 231.97 acre tract and said 46.60 acres, to the most westerly corner of the City of College Station 100.64 acre tract (vol. 6927, pg. 226);

Thence N 77° 56' 03" E – 2981.71 feet along the common line of said 231.97 acre tract and the said 100.64 acres, to their east common corner, also being a common corner of the City of College Station 66.32 acre tract (vol. 4443, pg. 20) and the Savage 19.69 acre tract (vol. 7912, pg. 265);

Thence along the common boundary of the said 231.97 acre tract with the said Savage tract, Clark 19.61 acre tract (vol. 561, pg. 28) and said Goen tract as follows:

N 48° 32' 07" W – 437.74 feet, N 48° 21' 21" W – 250.43 feet, N 48° 05' 26" W – 341.98 feet, N 41° 53' 54" E – 1390.60 feet and N 20° 22' 54" W – 112.43 feet to the Point of Beginning and containing 1033.98 acres of land more or less.

SAVE and EXCEPT the Chakde Holdings tract:

Beginning at the southeast corner of the Chakde Holdings, L.L.C. 2.996 acre tract (vol. 10990, pg. 21), located S 81° 00' 37" E – 428.78 feet from the point-of-beginning of the above described 1033.98 acre tract, and from where City of College Station GPS control monument no. 9 bears N 89° 35' 21" E – 2126.7 feet.

Thence N 77° 25' 29" W – 169.24 feet to the southwest corner of the said 2.996 acre tract;

Thence N 0° 43' 14" W – 528.90 feet to the south right-of-way line of Rock Prairie Road East (115 ft. width);

Thence S 82° 02' 02" E – 293.41 feet along said south right-of-way line, parallel and 57.5 feet south of the surveyed centerline, to its intersection with the common line of the said 2.996 acre tract and the White 2.00 acre tract (vol. 1249, pg. 612);

Thence S 12° 44' 40" W – 538.30 feet along said common line of the Chakde and White to the Point of Beginning and containing 2.81 acres of land more or less.

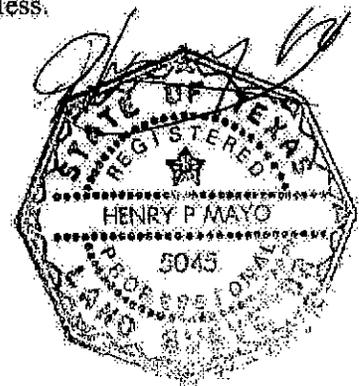
Leaving a net acreage for this described tract of 1031.18 acres more or less.

Bearings are Texas State Plane, NAD-83(CORS) datum, based on City of College Station GPS control points and GPS observations. Volume and page numbers cited refer to the Brazos County public records.

No monuments were set for this survey and found monuments are not cited.

This document was prepared under 22 TAC §663.21 does not reflect the results of an on the ground survey and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

See exhibit map prepared with this description, dated July 2015.



# EXHIBIT B

**Joe Orr, Inc.**  
A BASELINE CORPORATION CO.  
Post Office Box 11979  
College Station, TX 77842-1979  
(979) 693-2777  
TBPLS Firm no. 100544-00

Municipal Management District Two  
Participating Tracts – 270.58 acres  
College Station, Texas  
July 2015

All those certain tracts or parcels of land lying and being situated in the Thomas Caruthers league (abstract no. 9) and Robert Stevenson league (abstract no. 54) in College Station, Brazos County, Texas, comprised of the remainder of that 25.79 acre tract conveyed to Brian Howard Perry by deed recorded in volume 10459, page 34 of the Official Public Records of Brazos County, Texas, all of that 10.35 acre tract conveyed to Barry C. Nelson by deed recorded in volume 10577, page 191 of the Official Public Records of Brazos County, Texas, all of that 231.97 acre tract conveyed to College Station Land Investment, LP by deed recorded in volume 10600, page 156 of the Official Public Records of Brazos County, Texas, and the remainder of that 2.996 acre tract conveyed to Chakde Holdings, L.L.C. by deed recorded in volume 10990, page 21 of the Official Public Records of Brazos County, Texas, and the boundary being more particularly described as follows:

**Perry, Nelson and College Station Land Investment, LP tracts:**

Beginning at the southeast corner Lot 1, Rock Prairie Baptist Church subdivision (vol. 7312, pg. 207), which is also an east corner of the said College Station Land Investment, LP 231.97 acre tract, and from where City of College Station GPS control monument no. 9 bears S 88° 50' 15" E – 2550.7 feet.

Thence along the common boundary of the said 231.97 acre tract and the Goen (vol. 10424, pg. 40), Clark (vol. 561, pg. 28) and Savage (vol. 7912, pg. 265) tracts as follows:

S 20° 22' 54" E – 112.43 feet, S 41° 53' 54" W – 1390.60 feet, S 48° 05' 26" E – 341.98 feet, S 48° 21' 21" E – 250.43 feet and S 48° 32' 07" E – 437.74 feet to the south corner of the said Savage tract, also being an east corner of the said 231.97 acre tract and a north corner of the City of College Station 100.64 acre tract (vol. 6927, pg. 226);

Thence S 77° 56' 03" W – 2981.71 feet along the common line of said 231.97 acre tract and the said 100.64 acres, to their west common corner in the northeast line of the City of College Station 46.60 acre tract (vol. 3310, pg. 321);

Thence N 68° 16' 02" W – 185.06 feet along the common line of said 231.97 acre tract and the said 46.60 acres, to their west common corner;

Thence along the common boundary of the said 231.97 acre tract and the Wheeler 71.52 acre (vol. 3007, pg. 341) tracts as follows:

N 57° 11' 22" W – 112.33 feet, N 47° 58' 11" W – 372.04 feet, N 47° 52' 01" W – 828.48 feet, N 48° 14' 35" W – 163.14 feet, N 47° 03' 10" W – 128.80 feet and N 46° 26' 14" W – 535.34 feet to the most westerly corner of the said 231.97 acre tract;

Thence N 64° 40' 08" E – 5.63 feet to the most southerly corner of the said Perry 25.79 acre tract;

Thence N 47° 40' 38" W – 251.08 feet along the southwest line of the said Perry 25.79 acre tract to the north corner of the said Wheeler 71.52 acre tract, being an east corner of the Scott & White Healthcare Subdivision (vol. 10179, pg. 50);

Thence along the common boundary of the said Perry tract and said Scott & White subdivision as follows:

N 47° 37' 11" W – 128.13 feet, N 50° 49' 32" E – 930.60 feet and N 2° 42' 34" W – 1025.16 feet to the south right-of-way line of Rock Prairie Road East (118 ft. width);

Thence along the south right-of-way lines of Rock Prairie Road East (59.0 feet south of the surveyed centerline) as follows:

S 86° 27' 34" E – 1756.74 feet, S 85° 02' 05" E – 1226.41 feet and S 84° 23' 02" E – 70.75 feet to a right-of-way offset corner;

Thence N 0° 42' 21" W – 1.51 feet to another offset corner in the south right-of-way line of Rock Prairie Road East (113 ft. width);

Thence along the south right-of-way line of Rock Prairie Road East (57.5 feet south of the surveyed centerline), also being the north lines of said 231.97 acre tract, as follows:

S 84° 23' 02" E – 543.10 feet and S 82° 02' 02" E – 195.35 feet to the west line of said Lot 1, Rock Prairie Baptist Church subdivision, at a northeast corner of said 231.97 acre tract;

Thence along the common lines of said 231.97 acre tract and Lot 1, Rock Prairie Baptist Church subdivision as follows:

S 7° 57' 58" W – 528.77 feet and S 82° 02' 02" E – 699.33 feet to the Point of Beginning and containing 267.77 acres of land more or less.

#### **Chakde Holdings tract:**

Beginning at the southeast corner said Chakde Holdings 2.996 acre tract, located S 81° 00' 37" E – 428.78 feet from the point-of-beginning of the above described 270.58 acre tract, and from where City of College Station GPS control monument no. 9 bears N 89° 35' 21" E – 2126.7 feet.

Thence N 77° 25' 29" W – 169.24 feet to the southwest corner of the said 2.996 acre tract;

Thence N 0° 43' 14" W – 528.90 feet to the south right-of-way line of Rock Prairie Road East (115 ft. width);

Thence S 82° 02' 02" E – 293.41 feet along said south right-of-way line, parallel and 57.5 feet south of the surveyed centerline, to its intersection with the common line of the said 2.996 acre tract and the White 2.00 acre tract (vol. 1249, pg. 612);

Thence S 12° 44' 40" W – 538.30 feet along said common line of the Chakde and White to the Point of Beginning and containing 2.81 acres of land more or less,

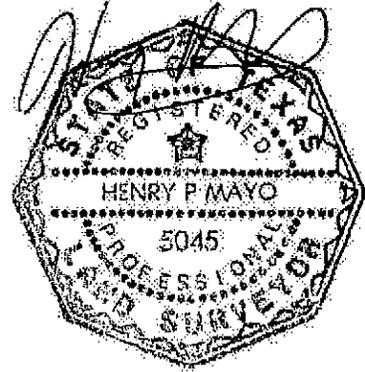
Combined, these two described tracts total 270.58 acres more or less.

Bearings are Texas State Plane, NAD-83(CORS) datum, based on City of College Station GPS control points and GPS observations. Volume and page numbers cited refer to the Brazos County public records.

No monuments were set for this survey and found monuments are not cited.

This document was prepared under 22 TAC §663.21 does not reflect the results of an on the ground survey and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

See exhibit map prepared with this description, dated July 2015.



# **EXHIBIT B**

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

ORDER SELECTING DEPOSITORY

The Board of Directors of Rock Prairie Management District No. 2 met on August 18, 2015, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted officers and members of said Board, as follows:

Uri Geva, President  
Hays Glover, Vice President  
Kamal Ariss, Assistant Vice President  
Jeffrey W. Brown, Secretary  
Randall G. Rother, Assistant Secretary

and all of said persons were present, thus constituting a quorum, when the following business was transacted:

Director Glover introduced the Order set out below and moved its adoption, which motion was seconded by Director Ariss and unanimously carried, with Directors Geva, Glover, Ariss, Brown and Rother voting "aye", and no one voting "no". The Order thus adopted is as follows:

WHEREAS, there was duly considered the selection of a depository for the District. It appeared that Amegy Bank, N.A. had agreed to act as depository and to comply with all applicable statutes.

WHEREAS, said bank is duly qualified in all respects to serve as the District's depository.

NOW, THEREFORE, it is ordered by the Board of Directors of Rock Prairie Management District No. 2 that said Amegy Bank, N.A. be and it is hereby designated, selected and appointed as a legal depository for the District.

IN WITNESS WHEREOF, the President or Vice President and Secretary or Assistant Secretary of the District have executed and attested, respectively, this Order on August 18, 2015.

ATTEST:

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
Secretary  
Board of Directors

By:   
President  
Board of Directors



# **EXHIBIT C**

## ORDER ESTABLISHING RECORDS MANAGEMENT PROGRAM

WHEREAS, Title 6, Subtitle C, Texas Local Government Code (the "Local Government Records Act") provides that Rock Prairie Management District No. 2 (the "District") must establish by Order an active and continuing records management program to be administered by a Records Management Officer; and

WHEREAS, the Board of Directors of the District (the "Board") desires to adopt an Order for that purpose and to prescribe policies and procedures consistent with the Local Government Records Act and in the interests of cost-effective and efficient recordkeeping; NOW THEREFORE:

BE IT ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2:

Section 1: Definition of District Records. All documents, papers, letters, books, maps, photographs, sound or video recordings, microfilm, magnetic tape, electronic media, or other information recording media, regardless of physical form or characteristic and regardless of whether public access to it is open or restricted under the laws of the State of Texas, created or received by the District or any of its officers, agents, consultants, or employees pursuant to law or in the transaction of public business, are hereby declared to be the records of the District and shall be created, maintained, and disposed of in accordance with the provisions of this Order or procedures authorized by it and in no other manner.

### Section 2: Additional Definitions.

- (1) "Custodian" means the officer or consultant of the District who by order, contract or administrative policy, is in charge of an office of the District that creates or receives records.
- (2) "Essential record" means any record of the District necessary to the resumption or continuation of operations of the District in an emergency or disaster, to the re-creation of the legal and financial status of the District, or to the protection and fulfillment of obligations to the people of the State of Texas.
- (3) "Permanent record" means any record of the District for which the retention period on a records control schedule is given as permanent.
- (4) "Records control schedule" means a document prepared by or under the authority of the Records Management Officer listing the records maintained by the District, their retention periods, and other records disposition information that the records management program may require.

- (5) "Records management" means the application of management techniques to the creation, use, maintenance, retention, preservation, and disposal of records for the purposes of reducing the costs and improving the efficiency of recordkeeping. Without limiting the generality of the foregoing, the term includes the development of records control schedules, the management of filing and information retrieval systems, the protection of essential and permanent records, the economical and space-effective storage of inactive records, control over the creation and distribution of forms, reports, and correspondence, and the management of micrographics and electronics and other records storage systems.
- (6) "Records Management Officer" means the person designated in Section 5 of this Order.
- (7) "Records management plan" means the plan developed under Section 6 of this Order.
- (8) "Retention period" means the minimum time that must pass after the creation, recording, or receipt of a record, or the fulfillment of certain actions associated with a record, before it is eligible for destruction.

Section 3: District Records Declared Public Property. All District records as defined in Section 1 of this Order are hereby declared to be the property of the District. No District official, consultant, agent, or employee has, by virtue of his or her position, any personal or property right to such records even though he or she may have developed or compiled them. The unauthorized destruction, removal from files, or use of such records is prohibited.

Section 4: Policy. It is hereby declared to be the policy of the District to provide for efficient, economical, and effective controls over the creation, distribution, organization, maintenance, use, and disposition of all District records through a comprehensive system of integrated procedures for the management of records from their creation to their ultimate disposition, consistent with the requirements of the Texas Local Government Records Act and accepted records management practice.

Section 5: Designation of Records Management Officer. The Secretary of the Board, and the successive holders of said office, shall serve as the Records Management Officer for the District. As provided by state law, each successive holder of the office shall file his or her name with the director and librarian of the Texas State Library and Archives Commission within thirty days of the initial designation or of taking up the office, as applicable.

Section 6: Records Management Plan To Be Developed; Approval of Plan; Authority of Plan. (a) The Records Management Officer, with the assistance of the District's consultants, shall develop a records management plan for the District for submission to the Board. The plan must contain policies and procedures designed to reduce the costs and improve the efficiency of recordkeeping, to adequately protect the essential records of the District, and to properly preserve those records of the District that are of historical value. The plan must be designed to

enable the Records Management Officer to carry out his or her duties prescribed by state law and this Order effectively.

(b) Once approved by the Board, the records management plan shall be binding on all offices, consultants, agents, boards, or similar entities of the District and records shall be created, maintained, stored, and/or microfilmed in accordance with the records management plan.

(c) State law relating to the duties, other responsibilities, or recordkeeping requirements of a custodian do not exempt the custodian or the records in the custodian's care from the application of this Order and the records management plan adopted under it and may not be used by the custodian as a basis for refusal to participate in the records management program of the District.

Section 7: Duties of Records Management Officer. In addition to other duties assigned in this Order, the Records Management Officer shall:

- (1) administer the records management plan and provide assistance to custodians in its implementation;
- (2) in cooperation with custodians, identify essential records and establish a disaster/emergency plan for each District office and custodian to ensure maximum availability of the records in order to re-establish operations quickly and with minimum disruption and expense in the event of a disaster or emergency;
- (3) develop procedures to ensure the permanent preservation of the historically valuable records of the District;
- (4) monitor records retention schedules and administrative rules issued by the Texas State Library and Archives Commission to determine if the records management plan and the District's records control schedules are in compliance with state regulations;
- (5) disseminate to the Board and custodians information concerning state laws and administrative rules relating to local government records; and
- (6) ensure that the maintenance, preservation, microfilming, destruction, or other disposition of District records is carried out in accordance with the policies and procedures of the records management plan and the requirements of state law.

Section 8: Duties and Responsibilities of Custodians. In addition to other duties assigned in this Order, custodians shall:

- (1) cooperate with the Records Management Officer in carrying out the policies and procedures established in the District's records management plan for the efficient

and economical management of records, and in carrying out the requirements of this Order;

- (2) adequately document the transaction of government business and the services, programs, and duties for which the custodian and his or her staff are responsible; and
- (3) maintain the records in his or her care and carry out their preservation, microfilming, destruction, or other disposition only in accordance with the policies and procedures of the records management plan of the District and the requirements of this Order.

Section 9: Records Control Schedules To Be Developed; Approval; Filing With State. If required by the Local Government Records Act: (a) The Records Management Officer, in cooperation with custodians, shall prepare records control schedules listing all records created or received by the District and the retention period for each record. Records control schedules shall also contain such other information regarding the disposition of District records as the records management plan may require.

(b) Each records control schedule shall be monitored and amended as needed by the Records Management Officer on a regular basis to ensure that it is in compliance with the records retention schedules issued by the State of Texas and that it continues to reflect the recordkeeping procedures and needs of the custodians and the records management program of the District.

(c) Before its adoption, a records control schedule or amended schedule must be approved by the Board.

(d) Before its adoption, a records control schedule must be submitted to and accepted for filing by the director and librarian of the Texas State Library and Archives Commission as provided by state law. If a schedule is not accepted for filing, the schedule shall be amended to make it acceptable for filing. The Records Management Officer shall submit the records control schedules to said director and librarian.

Section 10: Implementation of Records Control Schedules; Destruction of Records Under Schedule. (a) A records control schedule for a custodian that has been approved and adopted under Section 9 shall be implemented by the custodian and subsequent custodians according to the policies and procedures of the records management plan.

(b) A record whose retention period has expired on a records control schedule shall be destroyed unless an open records request is pending on the record, the subject matter of the record is pertinent to a pending law suit, or the custodian requests in writing to the Records Management Officer that the record be retained for an additional period.

(c) Prior to the destruction of a record under an approved records control schedule, authorization for the destruction must be obtained by the Records Management Officer from the Board.

Section 11: Destruction of Unscheduled Records. A record that has not yet been listed on an approved records control schedule may be destroyed if its destruction has been approved in the same manner as a record destroyed under an approved schedule and the Records Management Officer has submitted to and received back from the director and librarian of the Texas State Library and Archives Commission an approved destruction authorization request.

Section 12: Electronic Storage. Unless an electronic storage program used by a custodian is specifically exempted by order of the Board, all electronic storage of records will be centralized and under the direct supervision of the Records Management Officer or his or her designee. The records management plan will establish policies and procedures for the electronic storage of District records, including policies to ensure that all electronic storage is done in accordance with standards and procedures for the electronic storage of local government records established in the rules of the Texas State Library and Archives Commission. The plan will also establish criteria for determining the eligibility of records for electronic storage and protocols for ensuring that an electronic storage program that is exempted from the centralized operations is, nevertheless, subject to periodic review by the Records Management Officer as to cost-effectiveness, administrative efficiency, and compliance with the rules of the Texas State Library and Archives Commission.

PASSED AND ADOPTED this 18th day of August, 2015.

ATTEST:

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
Secretary

By:   
President



# **EXHIBIT D**

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

RESOLUTION DESIGNATING RECORDS MANAGEMENT OFFICER

WHEREAS, on the 18th day of August, 2015, the Board of Directors (the "Board") of the above-captioned District of Brazos County, Texas (the "District") considered the provisions of Tex. Local Gov't Code Ann., Ch. 203;

WHEREAS, the Board was informed as to certain requirements of said Code regarding the designation of a records management officer;

NOW, THEREFORE, be it resolved by the Board of the District:

Section 1: That the matters and facts recited in the preamble of this Resolution are true and correct.

Section 2: That the Secretary of the Board is hereby designated as Records Management Officer of the District with the responsibilities as provided for in said Code.

PASSED AND ADOPTED this 18th day of August, 2015.

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

ATTEST:

By: *Brown*  
Secretary

By: *[Signature]*  
President

386307.1



# **EXHIBIT E**

## RESOLUTION ADOPTING RECORDS RETENTION SCHEDULES

WHEREAS, the Board of Directors (the "Board") of Rock Prairie Management District No. 2 (the "District"), in compliance with the requirements of Title 6, Subtitle C, Texas Local Government Code (the "Local Government Records Act"), passed and adopted an Order Establishing Records Management Program (the "Order"); and

WHEREAS, the Order established for the District an active and continuing records management program administered by the District's Records Management Officer (the "RMO"); and

WHEREAS, pursuant to Section 203.041(a) of the Local Government Records Act, the RMO is required to prepare and file with the Texas State Library and Archives Commission (the "Commission") records retention schedules listing all records created or received by the District and the retention period for each record, or, in lieu of such filing, file with the Commission a written certification of compliance that the District has adopted records retention schedules that comply with the minimum requirements established on records retention schedules issued by the Commission; and

WHEREAS, the RMO hereby recommends that the Board, pursuant to this Resolution and consistent with the requirements of Section 203.041(a) of the Local Government Records Act, adopt the following records retention schedules issued by the Commission, attached hereto as Exhibit A through Exhibit E (the "Records Retention Schedules"), for use in the District's records management program:

Local Schedule EL: Records of Elections and Voter Registration (Exhibit A)

Local Schedule GR: Records Common to All Governments (Exhibit B)

Local Schedule PW: Records of Public Works and Services (Exhibit C)

Local Schedule TX: Records of Property Taxation (Exhibit D)

Schedule UT: Records of Utility Services (Exhibit E)

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2, THAT:

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

Section 2. Records Retention Schedules. The Board, as of the Effective Date, by this Resolution adopts the Records Retention Schedules for use in the District's records management program.

Section 3. Filing of Declaration of Compliance. In accordance with the requirements of Section 203.041(a)(2) of the Local Government Records Act, the Board hereby authorizes and directs the RMO to file a Declaration of Compliance with the Records Scheduling Requirement of the Local Government Records Act with the Commission in substantially the form attached hereto as Exhibit F (the "Declaration of Compliance") certifying to the Commission that, in lieu of filing records retention schedules with the Commission, the District has adopted the Records Retention Schedules which comply with the minimum requirements established on records retention schedules issued by the Commission for use in the District's records management program.

Section 4. Effective Date. The Records Retention Schedules shall be formally adopted by the District and implemented by the RMO in the District's records management program effective on the date the Declaration of Compliance is accepted for filing by the Commission (the "Effective Date").

PASSED AND ADOPTED this the 18th day of August, 2015.

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
President, Board of Directors

ATTEST:

By:   
Secretary, Board of Directors

386305.1



EXHIBIT A

RECORDS RETENTION SCHEDULES

LOCAL SCHEDULE EL: RECORDS OF ELECTIONS AND VOTER REGISTRATION

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slrn/recordspubs/Schedule%20EL%20-%20Effective%202011-04-03.pdf>

EXHIBIT B

RECORDS RETENTION SCHEDULES

LOCAL SCHEDULE GR: RECORDS COMMON TO ALL GOVERNMENTS

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slrn/recordspubs/Schedule%20GR%20-%20Effective%202011-04-03.pdf>

EXHIBIT C

RECORDS RETENTION SCHEDULES

LOCAL SCHEDULE PW: RECORDS OF PUBLIC WORKS AND SERVICES

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slrn/recordspubs/Schedule%20PW%20-%20Effective%202011-04-03.pdf>

EXHIBIT D

RECORDS RETENTION SCHEDULES

LOCAL SCHEDULE TX: RECORDS OF PROPERTY TAXATION

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slrn/recordspubs/Schedule%20TX%20-%20Effective%202011-04-03.pdf>

EXHIBIT E

RECORDS RETENTION SCHEDULES

SCHEDULE UT: RECORDS OF UTILITY SERVICES

Schedule kept at the offices of Schwartz, Page & Harding, L.L.P. in the Master Records Retention Binder and is also found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slrn/recordspubs/Schedule%20UT%20-%20Effective%202011-04-03.pdf>

EXHIBIT F

DECLARATION OF COMPLIANCE

Found at the following website as of the date hereof:

<https://www.tsl.state.tx.us/sites/default/files/public/tslac/slr/recordspubs/forms/slr508.doc>

# **EXHIBIT F**

RESOLUTION ADOPTING PREVAILING WAGE RATE SCALE  
FOR CONSTRUCTION PROJECTS

WHEREAS, Rock Prairie Management District No. 2 (the "District") has been heretofore duly created and organized; and

WHEREAS, Chapter 2258, Texas Government Code ("Chapter 2258"), requires the District to determine the general prevailing rate of per diem wages for each craft or type of worker in the locality in which a construction project for the District is to be performed and the general prevailing rate of per diem wages for legal holiday and overtime work; and

WHEREAS, Chapter 2258 provides that a worker employed on a construction project by or on behalf of the District shall be paid not less than said general prevailing rates, as applicable; and

WHEREAS, Chapter 2258 provides that a contractor which is awarded a construction contract for the District, or a subcontractor of the contractor, shall pay not less than the rates determined as set forth above to a worker employed in the execution of such contract for a construction project; and

WHEREAS, Chapter 2258 applies to construction projects paid for in whole or in part from funds of the District, regardless of whether the work is done under the District's supervision or direction; and

WHEREAS, the Board of Directors of the District (the "Board") has determined the general prevailing rate of per diem wages by using the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a *et seq.*), as amended, and has determined to adopt a Prevailing Wage Rate Scale for Construction Projects for the District. Now, Therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT:

Section 1: The Board has determined the general prevailing rate of per diem wages for each craft or type of worker in the locality in which a construction project for the District is to be performed and the general prevailing rate of per diem wages for legal holiday and overtime work by using the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a *et seq.*), as amended, and further, the Board has determined that the wage rates in the Prevailing Wage Rate Scale for Construction Projects (comprised of one or more United States Department of Labor wage determination scales for each project type) attached hereto as Exhibit A are the general prevailing wage rates for construction projects by or on behalf of the District.

Section 2: The District hereby adopts the Prevailing Wage Rate Scale for Construction Projects attached hereto as Exhibit A, which establishes minimum rates for each project type that

shall be used by all contractors and their subcontractors on construction projects by or on behalf of the District.

Section 3: A contractor or subcontractor on a construction project by or on behalf of the District shall maintain records as required by Chapter 2258 and shall be subject to the penalties, forfeitures, and withholding of money for failure to comply with this Resolution and/or pending a final determination of an alleged violation, as provided in Chapter 2258.

Section 4: The District engineer is hereby directed and authorized to specify the wage rates adopted hereunder for each project type in all specifications for bids and contracts for construction projects by or on behalf of the District.

PASSED and ADOPTED this 18th day of August, 2015.



\_\_\_\_\_  
President, Board of Directors

ATTEST:



\_\_\_\_\_  
Secretary, Board of Directors

(SEAL)



386298.1

EXHIBIT A

PREVAILING WAGE RATE SCALE FOR CONSTRUCTION PROJECTS



POWER EQUIPMENT OPERATOR:

Agricultural Tractor.....	\$ 12.69
Asphalt Distributor.....	\$ 15.55
Asphalt Paving Machine.....	\$ 14.36
Boom Truck.....	\$ 18.36
Broom or Sweeper.....	\$ 11.04
Concrete Pavement Finishing Machine.....	\$ 15.48
Crane, Hydraulic 80 tons or less.....	\$ 18.36
Crane, Lattice Boom 80 tons or less.....	\$ 15.87
Crane, Lattice Boom over 80 tons.....	\$ 19.38
Crawler Tractor.....	\$ 15.67
Directional Drilling Locator.....	\$ 11.67
Directional Drilling Operator.....	\$ 17.24
Excavator 50,000 lbs or Less.....	\$ 12.88
Excavator over 50,000 lbs...	\$ 17.71
Foundation Drill, Truck Mounted.....	\$ 16.93
Front End Loader, 3 CY or Less.....	\$ 13.04
Front End Loader, Over 3 CY.	\$ 13.21
Loader/Backhoe.....	\$ 14.12
Mechanic.....	\$ 17.10
Milling Machine.....	\$ 14.18
Motor Grader, Fine Grade....	\$ 18.51
Motor Grader, Rough.....	\$ 14.63
Pavement Marking Machine....	\$ 19.17
Reclaimer/Pulverizer.....	\$ 12.88
Roller, Asphalt.....	\$ 12.78
Roller, Other.....	\$ 10.50
Scraper.....	\$ 12.27
Spreader Box.....	\$ 14.04
Trenching Machine, Heavy....	\$ 18.48

Servicer.....\$ 14.51

Steel Worker

Reinforcing.....	\$ 14.00
Structural.....	\$ 19.29

TRAFFIC SIGNAL INSTALLER

Traffic Signal/Light Pole Worker.....	\$ 16.00
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TRUCK DRIVER

Lowboy-Float.....	\$ 15.66
Off Road Hauler.....	\$ 11.88
Single Axle.....	\$ 11.79
Single or Tandem Axle Dump Truck.....	\$ 11.68
Tandem Axle Tractor w/Semi Trailer.....	\$ 12.81

WELDER.....\$ 15.97

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

-----  
The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
U.S. Department of Labor

200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION



# **EXHIBIT G**

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2  
RESOLUTION ESTABLISHING CRITERIA FOR SURETIES ISSUING  
PAYMENT AND PERFORMANCE BONDS

WHEREAS, in accordance with the provisions of V.T.C.A., Local Government Code §375.221(a) and Water Code §49.271, Rock Prairie Management District No. 2 (the "District"), is entitled to adopt minimum criteria for sureties issuing payment and performance bonds on its construction contracts; and

WHEREAS, the Board of Directors of the District now desires to adopt this Resolution establishing such criteria as authorized by V.T.C.A. Local Government Code §375.221(a) and Water Code Section 49.271;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Rock Prairie Management District No. 2 that unless otherwise specifically provided in writing by the Board of Directors of the District, the following criteria shall be met by all sureties issuing payment and/or performance bonds with respect to a construction contract entered into by or on behalf of the District:

- (a) The surety company must be authorized to do business in Texas, which authorization must be recorded in the files of the State Board of Insurance;
- (b) The surety company must be authorized to issue and execute payment and performance bonds in the amount required for the particular contract, which authorization must be recorded in the files of the State Board of Insurance;
- (c) The surety company must have a rating of at least "A" in the current Best's Key Rating Guide; provided, however, that the District may require a higher rating with respect to any particular contract if the Board of Directors of the District, in its sole discretion, determines that a higher rating is in the best interest of the District;
- (d) If the surety company does not have the rating required under (c) above, the Board of Directors of the District may, in its sole discretion, waive such requirement if said lack of rating is due to the length of time the surety company has existed and the surety company is eligible to participate in the surety bond guarantee program of the Small Business Administration and is an approved surety listed in the current U.S. Department of Treasury Circular 570, and meets all of the related rules and regulations of the Treasury Department;
- (e) If the amount of the payment or performance bond is over \$100,000, the surety must hold a certificate of authority from the U.S. Secretary (or Department, as appropriate) of Treasury to qualify as a surety or must have obtained reinsurance

from a re-insurer that holds such a certificate and that is authorized to do business in Texas;

- (f) The person executing the payment and performance bonds must be a licensed Texas local recording agent or hold a General Lines license in Texas and such licensing must be recorded in the files of the State Board of Insurance; and
- (g) The person executing the payment and performance bonds must be authorized by the surety company to execute performance and payment bonds on behalf of the company in the amount required for the contract and such authorization must be recorded in the files of the State Board of Insurance.

BE IT FURTHER RESOLVED that such criteria shall be effective as of the date of this resolution until such time as this resolution is amended or revoked by action of the Board of Directors or by operation of law.

PASSED AND ADOPTED ON THIS 18th day of August, 2015.

ATTEST:

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
Secretary  
Board of Directors

By:   
President  
Board of Directors

(SEAL



365938.1

# **EXHIBIT H**

ORDER ESTABLISHING POLICY FOR  
INVESTMENT OF DISTRICT FUNDS  
AND APPOINTING INVESTMENT OFFICER

WHEREAS, ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 (the "District") is a body politic and corporate and a governmental agency of the State of Texas, operating under and governed by the provisions of Chapter 3909, Texas Special District Local Laws Code, and Sections 52 and 52-a of Article III and Section 59 of Article XVI of the Texas Constitution; and

WHEREAS, Chapter 2256, Texas Government Code (sometimes referred to herein as the "Public Funds Investment Act"), and Section 375.096(4), Texas Local Government Code, require that the Board of Directors of the District adopt rules, regulations and policies governing the investment of District funds and designate one or more of its officers or employees to be responsible for the investment of such funds.

NOW, THEREFORE, IT IS ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT the policies, procedures and provisions set forth herein be and are hereby ADOPTED, effective as of the date hereof.

Section 1. Purpose. The purpose of this Order Establishing Policy for Investment of District Funds and Appointing Investment Officer (the "Investment Policy") is to adopt rules and regulations which set forth the District's policies with regard to the investment and security of District funds or funds under the District's control. It is further the purpose of this Investment Policy to ensure that purchases and sales of District investments are initiated by authorized individuals, conform to investment objectives and regulations, and are properly documented and approved, and to provide for the periodic review of District investments to evaluate investment performance and security, all as required by applicable law.

Section 2. Appointment of Investment Officer; Standard of Care. Mark M. Burton and Ghia Lewis of Municipal Accounts & Consulting, L.P., the District's bookkeeper, shall be and are each hereby individually designated the Investment Officer of the District, responsible for the supervision of investment of District funds pursuant to this Investment Policy. In the administration of their duties hereunder, the District's Investment Officer shall exercise the judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived; however, the District's Board of Directors shall retain ultimate responsibility as fiduciaries of the District's assets. The District's Board of Directors, Tax Assessor-Collector, Financial Advisor and other consultants shall be authorized to assist the Investment Officer in the carrying out of the duties of Investment Officer.

Section 3. Appointment of Investment Officer and Tax Assessor-Collector for Investment of District Funds. Pursuant to Section 49.157(b), Texas Water Code, the Board of Directors hereby designates the District's Investment Officer as the authorized representative of the District to (a) invest and reinvest the funds of the District; (b) withdraw District funds from

appropriate accounts of the District for the investment of same in accordance with the terms of this Investment Policy; and (c) arrange for adequate security for uninsured deposits or funds of the District pursuant to and in compliance with a Public Funds Depositor Collateral Security Agreement which shall be substantially in the form attached hereto as Exhibit "B", and to execute said Agreement(s) and any documentation required in connection therewith on behalf of the District. To the extent that the District's Tax Assessor-Collector is required to perform any of the functions set forth in (a), (b) or (c) above, the Tax Assessor-Collector shall do so in accordance with the provisions of the Public Funds Investment Act and this Investment Policy, and under the supervision of and in consultation with the District's Investment Officer.

Section 4. Authority and Duties of Investment Officer. The following rules shall apply to the District's Investment Officer:

A. The Board of Directors hereby instructs the Investment Officer for the District to maintain the investments of the District in a manner consistent with the rules and regulations set forth in this Investment Policy and the Public Funds Investment Act, as amended.

B. No persons, other than those designated in Section 3 above, may deposit, invest, transfer, withdraw or otherwise manage District funds without express written authority of the District's Board of Directors.

C. The Investment Officer for the District shall invest and reinvest District funds only in those investments authorized under this Investment Policy or by the Board, and only in the name of and solely for the account of "Rock Prairie Management District No. 2." The Bookkeeper and Investment Officer for the District shall be authorized to wire transfer funds of the District only (1) for the purchase of investments solely in the name of "Rock Prairie Management District No. 2," (2) for the transfer of all or any portion of the principal of or interest earnings or profits or gains on any investment of the District to one or more previously authorized and established accounts of "Rock Prairie Management District No. 2," (3) for the transfer of District funds to any paying agent of the District for the payment of principal and semiannual interest payments on any outstanding bonds of the District and for the payment of paying agent fees relative to same, or (4) for other purposes, such as the payment of District bills, pursuant to a resolution or other express written instructions of the District's Board of Directors.

D. The Investment Officer for the District shall, not later than the first anniversary of the date the Investment Officer takes office or assumes such duties, attend a training session of at least six (6) hours of instruction relating to the Investment Officer's responsibilities under the Public Funds Investment Act, as amended, from an independent source approved by the Board of Directors of the District or the Board's Investment Committee, and thereafter shall attend at least four (4) hours of additional investment training within each two-year period that begins on the first day of the District's fiscal year and consists of the two consecutive fiscal years after that date. Such investment training must include education in investment controls, security risks,

diversification of investment portfolio, strategy risks, market risks, and compliance with the provisions of the Public Funds Investment Act, as amended.

E. Not less frequently than each fiscal quarter, the Investment Officer shall prepare and submit to the Board of Directors of the District a written report of investment transactions for all invested funds of the District for the preceding reporting period. Such report must (1) describe in detail the investment position of the District on the date of the report; (2) be prepared by the Investment Officer for the District; (3) be signed by the Investment Officer of the District; (4) contain a summary statement of each pooled fund group, if any has been created by the District, that states the beginning market value for the reporting period, ending market value for the period, and fully accrued interest for the reporting period; (5) state the book value and market value of each separately invested asset of the District at the end of the reporting period by the type of asset and fund type invested; (6) state the maturity date of each separately invested asset that has a maturity date; (7) state the current rating assigned to each investment, investment vehicle, or investment security by a nationally recognized investment rating firm, nationally recognized credit rating agency or nationally recognized rating service, as appropriate; (8) state the account or fund or pooled group fund, if the District has any, for which each individual investment was acquired; and (9) state the compliance of the District's investment portfolio as it relates to the investment strategy for each account of the District as set forth in this Investment Policy and relevant provisions of the Public Funds Investment Act, as amended. Such report must be presented to the Board of Directors of the District within a reasonable period of time after the end of each fiscal quarter. If the District invests in other than (i) money market mutual funds, (ii) investment pools, or (iii) accounts offered by its depository bank in the form of certificates of deposit, or money market accounts or similar accounts, all of the type authorized under Section 6 of this Investment Policy, the reports prepared under this Section 4.E. shall be formally reviewed at least annually by an independent auditor, and the result of such review shall be reported to the District's Board of Directors by that auditor.

F. In the event an investment or investment vehicle in which the District has placed funds, or the security therefor, is required to maintain a minimum rating pursuant to the Public Funds Investment Act fails to maintain the minimum required rating, the Investment Officer shall take all prudent measures consistent with this Order to liquidate the investment and reinvest such funds in a conforming investment, if appropriate.

G. In the event District funds are invested or reinvested in Certificates of Deposit, the Investment Officer or Tax Assessor-Collector, as applicable, shall solicit bids from at least two (2) bidders, either orally, in writing, electronically or in any combination of those methods, for each such investment.

H. All purchases of investments, except investments in investment pools or in mutual funds, shall be made on a delivery versus payment basis.

I. Not less frequently than each fiscal quarter, and as close as practicable to the end of such reporting period, the District's Investment Officer shall determine the

market value of each District investment. Such market values shall be included in the written reports submitted to the District's Board of Directors pursuant to Section 4.E hereinabove. The following methods shall be used:

- (1) Certificates of deposit shall be valued at their face value plus any accrued but unpaid interest.
- (2) Shares in money market mutual funds and investment pools, if any, shall be valued at par plus any accrued but unpaid interest.
- (3) Other investment securities may be valued in any of the following ways:
  - (a) the lower of two bids for such security obtained from qualified securities brokers/dealers with whom the District may engage in investment transactions;
  - (b) the average of the bid and asked prices for such security as published in The Wall Street Journal or The New York Times;
  - (c) the bid price for such security published by any nationally recognized security pricing service; or
  - (d) the market value quoted by the seller of the security.

J. A written copy of the District's Investment Policy must be presented to any person offering to engage in an investment transaction with the District and to any investment management firm under contract with the District for the investment and management of its funds. The "qualified representative" of the business organization offering to engage in an investment transaction with the District or an investment management firm shall execute a written instrument in a form acceptable to the District substantially to the effect that the business organization or firm has received and reviewed the Investment Policy of the District and acknowledges that such business organization or firm has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the District and such organization or firm that are not authorized by the District's Investment Policy, except to the extent that such authorization is dependent on an analysis of the makeup of the District's entire investment portfolio or requires an interpretation of subjective investment standards. The District's Investment Officer may not acquire or otherwise obtain any authorized investment described in Section 6 hereof from a person who has not delivered to the District the written statement acknowledging receipt of this Investment Policy in a form substantially similar to that attached hereto as Exhibit "A" (the "Certificate of Compliance"). For purposes of this Section 4.I., the "qualified representative" of a business organization offering to engage in an investment transaction with the District means a person who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

(1) for a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the National Association of Securities Dealers;

(2) for a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or

(3) for an investment pool, the person authorized to sign the written instrument on behalf of the investment pool by the elected official or board with authority to administer the activities of the investment pool.

The "qualified representative" of an investment management firm under contract with the District for the investment and management of its public funds is a person who is an officer or principal of such firm.

K. The Investment Officer for the District shall disclose in writing to the Board of Directors any (i) "personal business relationship" that they may have with a business organization offering to engage in an investment transaction with the District, or (ii) any relationship within the second degree by affinity or consanguinity, as determined by Chapter 573, Texas Government Code, as amended, to any individual seeking to sell an investment to the District. Any written disclosure statement filed with the Board of Directors by the Investment Officer pursuant to this section must also be filed with the Texas Ethics Commission. For purposes of this Section 4.K., the Investment Officer has a "personal business relationship" with a business organization if:

(1) the Investment Officer owns ten percent (10%) or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization;

(2) funds received by the Investment Officer from the business organization exceed ten percent (10%) of the Investment Officer's gross income for the previous year; or

(3) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for their personal account.

L. In conjunction with the District's annual financial audit, a compliance audit of management controls on investments and adherence to this Investment Policy must be performed. In connection with said compliance audit, the Board of Directors shall review on an annual basis this Investment Policy and its investment strategies. In connection with said annual review, the District's Board of Directors shall adopt a written resolution stating that it has reviewed this Investment Policy and the investment strategies set forth herein, and shall indicate in said resolution either the continuance of this

Investment Policy without amendment or the changes made to the Investment Policy and/or the investment strategies herein.

Section 5. General Investment Principles and Objectives. All investments of District funds or funds under the District's control shall be made in accordance with the following general rules, regulations and policies:

A. Any moneys in any fund of the District or in any fund established by the Board of Directors in connection with the authorization of the District's bonds, including, but not limited to, proceeds from the sale of such bonds, which funds are not required for the payment of obligations due or to become due immediately, shall be invested and reinvested, from time to time, only in the authorized investments specified in Section 6 hereunder; provided, however, that all such investments shall be secured in the manner provided for the security of the funds of municipal utility districts of the State of Texas (The Public Funds Collateral Act, Chapter 2257, Texas Government Code, as amended) or in such other manner as may be authorized by law from time to time and otherwise suitable for the District's needs.

B. The policy of the District is to invest District funds only in instruments which further the following investment objectives of the District stated in order of importance: (1) preservation and safety of principal; (2) liquidity; and (3) yield. The District will continuously attempt to diversify its portfolio to reduce risks. The type, conditions and maturity date of District investments shall be consistent with the cash flow needs and operating requirements of the District, as determined from time to time by the Board of Directors, and consistent with the investment strategy for each District account as set forth in Section 7 hereunder; provided, however, that in no event shall the maximum allowable stated maturity of any individual investment owned by the District exceed two (2) years, unless otherwise specifically set forth in this Investment Policy.

C. If invested in certificates of deposits, the District's funds shall be secured, to the extent that such funds are not insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, by the pledge to the District of certain types of securities, as determined in the sole discretion of the District, which under the laws of the State of Texas may be used to secure the deposits of municipal utility districts, pursuant to and in compliance with a Public Funds Depositor Collateral Security Agreement which shall be substantially in the form attached hereto as Exhibit "B", the terms and conditions of which are incorporated herein by reference (the "Public Funds Depositor Collateral Security Agreement").

D. Securities pledged to the District shall be pledged pursuant to and in compliance with a Public Funds Depositor Collateral Security Agreement to be entered into by and between the District and the institution(s) pledging such securities. Securities pledged to the District shall either be deposited and held in safekeeping at the trust or safekeeping department of a commercial banking institution located in the State of Texas not affiliated with the pledging institution(s) or a federal home loan bank, or shall be held in a restricted securities account, joint safekeeping account or other similar account in a

branch of the Federal Reserve Bank pursuant to any and all applicable regulations, operating circulars, bulletins and policies of the Federal Reserve Bank, including the terms and conditions of any applicable forms or agreements, as may exist now or hereafter be enacted, promulgated or issued by the Federal Reserve Bank. The District's Investment Officer and Tax Assessor-Collector shall, within the limits of business practicality and consistent with the Federal Deposit Insurance Corporation Statement of Policy dated March 23, 1993, (or any subsequent applicable Statement of Policy issued by the FDIC) relative to the securing of public funds, ensure that the District's uninsured funds are at all times secured as required by the Public Funds Collateral Act (Chapter 2257, Texas Government Code, as amended) and in the manner set forth in the Public Funds Depositor Collateral Security Agreement. The District's Investment Officer and Tax Assessor-Collector are hereby authorized to execute Public Funds Depositor Collateral Security Agreements and any agreements, documents or forms required by the Federal Reserve Bank on behalf of the District, as and when required, and to approve the substitution of securities pledged to the District as collateral pursuant to and in the manner set forth in any Public Funds Depositor Collateral Security Agreement entered into by the District.

E. The Board of Directors recognizes that, within the framework of the above rules, decisions must be made concerning the type and duration of each investment transaction, and that such decisions are best made by the person responsible for implementing the transaction, based upon the facts and circumstances prevailing at the time. As a guide to making such decisions, it is hereby declared the policy of the Board of Directors that priority should be given to proper security of the District's funds over maximizing the yield on investments. Furthermore, in cases where the rate of return on an investment security offered by competing banking institutions are substantially equivalent, the District's Investment Officer shall give preference to those investments and investment institutions offering the greatest degree of administrative convenience and proximity, flexibility of investment arrangements and/or similar intangible benefits and community goodwill.

F. Except as herein provided, nothing herein shall be deemed or construed to authorize the withdrawal, expenditure or appropriation of funds of the District except by check or draft signed by three (3) members of the Board of Directors, or as otherwise provided by applicable statutes or the resolutions, rules, regulations, policies, orders or proceedings of the Board of Directors. Furthermore, the Board of Directors shall retain sole responsibility for establishing and implementing, from time to time, this Investment Policy, and all investment transactions to be undertaken by the District's Investment Officer pursuant to the Investment Policy shall be subject to the further or more specific directions, instructions, orders, resolutions or actions of the Board of Directors.

Section 6. Authorized Investments. The following categories of investment are authorized for investment of District funds:

A. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;

B. Direct obligations of the State of Texas or its agencies and instrumentalities;

C. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas, or the United States or any of their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;

D. Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; provided, however, the District shall not own or invest in any obligations which it has issued;

E. (1) Certificates of deposit that are issued by a depository institution that has its main office or a branch office in the State of Texas that are:

(i) guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;

(ii) secured by obligations of the type described in Section 2256.010(a)(2), Texas Government Code, as amended, or

(iii) secured in any other manner and amount provided by law for deposits of the District pursuant to a Public Funds Depositor Collateral Security Agreement approved and executed by the District; and

(2) Certificates of deposit that are acquired in the manner described in Section 2256.010(b), Texas Government Code, as amended; provided, however, that each investment of District funds in the foregoing shall require specific prior approval by the Board of Directors;

F. Commercial paper with a stated maturity of 270 days or fewer from the date of issuance which meets the requirements set forth in Section 2256.013, Texas Government Code, as amended;

G. No-load money market mutual funds that:

(1) are registered with and regulated by the Securities and Exchange Commission;

(2) provide the District with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.);

(3) have a dollar-weighted average stated maturity of 90 days or fewer; and

(4) include in their investment objectives the maintenance of a stable net asset value of \$1.00 for each share;

H. Investment pools which meet the requirements set forth in Section 2256.016 and Section 2256.019, Texas Government Code, as amended.

Section 7. Investment Strategies. District investments shall be made upon the evaluation of the specific investment objectives and strategies of each account of the District, with the primary objective for the selection of any District investment being the understanding of the suitability of such investment to the financial requirements of the District. The District's investment strategy for each of its accounts is as follows:

A. Operating/General Account. The operating/general account is used for all operations and maintenance needs of the District and funds therein shall be invested to meet the operating and cash flow requirements of the District as determined by the District's Board of Directors. The highest priorities for this account are the liquidity and marketability of an investment if the need arises to liquidate the investment before its maturity. Of equal importance is the preservation and safety of the principal of investments in the operating account. When these priorities are met, the yield on investments held in the operating/general account will next be considered.

B. Debt Service/Bond Fund Account. The District's debt service/bond fund account is used to pay the District's debt service on its outstanding bonds. The highest priority for this account is the preservation and safety of principal. Since the District knows the amount of its debt service requirements and when it becomes due, investments for the debt service/bond fund account should be structured to coincide with the amount and timing of the debt service requirements. When the preservation and safety of principal and liquidity considerations for debt service purposes are assured, including the marketability of debt service/bond fund account investments in the event the need arises to liquidate an investment before its maturity, the yield on debt service/bond fund account investments should be considered. Since the amount of District funds in the debt service/bond fund account can be significant, diversification of the debt service/bond fund account investment portfolio may be necessary. The District may easily liquidate investments in an investment pool and therefore such investments may be appropriate in combination with longer term investments in the debt service/bond fund account.

C. Capital Projects/Construction Fund Account. The capital projects/construction fund account is used to pay for capital improvements of the District. The highest priority for this account is the preservation and safety of principal. In the event that funds held in the capital projects/construction fund account are for particular improvement projects that have been previously identified by the District's Board of Directors, the Board will have an idea of the approximate time when disbursements will

be required to be made from this account. In this situation, investments in the capital projects/construction fund account should be structured so that they mature or can be liquidated on or about the dates that disbursements are expected to be made. Once the safety of principal and liquidity and marketability of capital projects/construction fund account investments which are to match certain disbursement dates are assured, the yield on such investments may be considered. Since District funds in the capital projects/construction fund account may not be needed for a year or more, longer term instruments should be considered to increase yield. However, if funds available in the District's capital projects/construction fund account are surplus construction funds from prior bond issues or interest earnings on such funds and are not earmarked for specific improvement projects, but rather viewed by the District's Board of Directors as an emergency reserve fund for major repairs or rehabilitation projects, investments in the capital projects/construction fund account, at least to the extent that they are for emergency reserve purposes, should be kept in relatively short term investments that can be easily marketed and liquidated if necessary, such as investment pools. Alternatively, bond proceeds that may be deposited in the District's capital projects/construction fund account for reimbursement to a developer and which may be in the capital projects/construction fund account for only one or two days, should be kept in the most liquid investment available. Investment diversification for large amounts of District funds that may be deposited into the capital projects/construction fund account for only one or two days may be achieved through the use of an investment pool. Since investment pools are short term in nature, they would normally be used for District funds in this account only if the District knows that it will be dispersing funds in a relative short period of time. However, on some occasions the yield on investment pools is higher than on longer term investments, so their use may be optimal for funds in the capital projects/construction fund account.

#### Section 8. Miscellaneous.

A. In the event of any conflict or inconsistency between the terms of this Investment Policy and applicable requirements of law, such conflict or inconsistency will be resolved in favor of the more restrictive of this Investment Policy or the applicable requirements of law. In the event of any ambiguity or uncertainty as to the intent and application of any part, section, paragraph or provision hereof, a written request for clarification or approval of a proposed action describing such circumstances shall be submitted to the Board of Directors for a decision as to a proper course of action.

B. The rules, regulations and policies set forth herein shall be and remain in full force and effect unless and until amended, revised, rescinded or repealed by action of the Board of Directors. The District's Board of Directors specifically reserves the right to change, alter or amend any provision of this Investment Policy at any time.

C. The provisions of this Investment Policy are severable, and if any provision or part of this Investment Policy or the application thereof to any person or circumstances shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Investment Policy and the

application of such provision or part of this Investment Policy shall not be affected thereby.

The President or Vice President is authorized to execute and the Secretary or Assistant Secretary to attest this Investment Policy on behalf of the Board and the District.

PASSED AND ADOPTED this the 18th day of August, 2015.

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

ATTEST:

By: *Brown*  
Secretary,  
Board of Directors

By: *[Signature]*  
President,  
Board of Directors



386299.1

EXHIBIT "A"

CERTIFICATE OF COMPLIANCE FROM SELLERS OF INVESTMENTS  
AS REQUIRED BY THE PUBLIC FUNDS INVESTMENT ACT

To: Rock Prairie Management District No. 2 (the "District")

From:

\_\_\_\_\_  
[Name of the person  
offering or the "qualified  
representative" of the business  
organization offering to engage  
in an investment transaction  
with the District or of the  
District's Investment Manager]

\_\_\_\_\_  
[Title of such person]

of

\_\_\_\_\_ (the "Business Organization")  
[Name of financial institution,  
business organization or  
investment pool]

Date: \_\_\_\_\_, 20\_\_\_\_

In accordance with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, I hereby certify that:

1. I am an individual offering to enter into an investment transaction with the District or a "qualified representative" of the Business Organization offering to enter into an investment transaction with the District, as applicable, as such terms are used in the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended (the "Seller"), and that Seller meets all requirements under such Act to execute this Certificate.

2. Seller anticipates selling to the District investments that are authorized by the District's Order Establishing Policy for Investment of District Funds and Appointing Investment Officer, dated August 18, 2015 (the "Investment Policy") and the Public Funds Investment Act (collectively, the "Investments").

3. I or a registered investment professional that services the District's account, as applicable, have received and reviewed the District's Investment Policy now in full force and effect. The District has further acknowledged that Seller may rely upon the Investment Policy until the District provides Seller with any amendments to or any newly adopted form of the Investment Policy.

4. Seller has implemented reasonable procedures and controls in an effort to preclude investment transactions between the District and Seller that are not authorized by the

Investment Policy, except to the extent that this authorization is dependent upon an analysis of the District's entire portfolio or requires an interpretation of subjective investment standards.

5. Seller has reviewed or will review prior to sale, the terms, conditions and characteristics of the investments to be sold to the District and has determined or will determine, prior to sale, that (i) each of the Investments is an authorized investment for local governments under the Public Funds Investment Act and (ii) each of the Investments is an authorized investment under the District's Investment Policy.

6. Seller acknowledges that the District has disclosed and hereby discloses that certain funds within the custody of the District which may be deposited or invested with Seller are by law or under a bond indenture required to be set aside to discharge a debt owed to the holder(s) of the District's outstanding notes and/or bonds. As such, these funds shall be deemed to be a deposit by a trustee of trust funds of which the holder(s) are pro rata beneficiaries in accordance with 12 C.F.R. §330.15(c). Such funds held in trust for the holder(s) of the District's notes and bonds are deposited within the account(s) titled "Bond Fund", "Bond Account", "Debt Service Fund", "Debt Service Account", "Interest and Sinking Fund", "Interest and Sinking Account", or other similar name sufficient to satisfy the requirements of 12 C.F.R. §330.5(b) indicating that such funds are pledged towards the payment of principal and interest on the District's bonds and notes. Seller further acknowledges that the District may be acting in a fiduciary capacity on behalf of certain persons or entities who may, in turn, be acting in a fiduciary capacity for subsequent purchasers and/or holders of the District's outstanding bonds and notes.

7. Seller will continuously maintain an executed copy of this Certificate of Compliance in its "deposit account records" (as defined in 12 C.F.R. §330.1(e)) for so long as Seller holds any funds of or within the custody of the District.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**\*\*\*\*FOR USE WITH ALL BANKS, NO EXCEPTIONS\*\*\*\***

EXHIBIT "B"

PUBLIC FUNDS DEPOSITOR  
COLLATERAL SECURITY AGREEMENT

This Public Funds Depositor Collateral Security Agreement (the "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20[\_\_\_] by and between ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 (the "Depositor") and \_\_\_\_\_ ("Bank"), and any prior Agreement between Depositor and Bank relative to the subject matter hereof is hereby terminated as of the date first written above.

**RECITALS**

Depositor, through action of its Board of Directors, has designated Bank as a depository for Depositor's funds. Funds on deposit with Bank to the credit of Depositor in excess of federal deposit insurance are required to be secured by eligible security as provided for by the Public Funds Collateral Act, V.T.C.A. Government Code Section 2257.001 et seq. (the "Public Funds Law"). Depositor and Bank understand and acknowledge that the amount of Depositor's uninsured deposits in Bank may vary substantially from time to time; that under the circumstances permitted herein, the Bank may release, add to or substitute for the securities pledged by Bank from time to time to secure such uninsured deposits of Depositor; and that it is the intent of the parties that this Agreement be renewed and extended upon and at the time of each permitted release, addition or substitution of collateral securities and thereafter remain in force and effect for the full term thereof until terminated in the manner set forth herein. In order to perfect Depositor's security interest in eligible securities pledged by Bank from time to time to secure such uninsured deposits, the Board of Directors of the Bank (the "Bank Board") has authorized the undersigned Bank officer to enter into this Agreement on behalf of Bank under the terms of which Bank will [either (i) cause \_\_\_\_\_, a [state or national bank ], which has its main office or a branch office in Texas and which has been designated by the State Comptroller as a Texas State Depository to hold the collateral assets in a custody account as bailee for the benefit of Depositor, or (ii)] cause the Federal Reserve Bank or a federal home loan bank ("FHLB") to hold the collateral assets in a restricted securities account, joint safekeeping account or other similar account as custodian/bailee for the benefit of Depositor (such [bank or] FHLB or the Federal Reserve Bank, as the case may be, hereinafter called the "Custodian").

**AGREEMENT**

Now, Therefore, in consideration of the mutual covenants in this Agreement, the parties agree as follows:

1. Grant of Security Interest. To secure the uninsured deposits maintained by Depositor with Bank from time to time, Bank hereby pledges and grants to Depositor a security interest in its Eligible Securities (as defined in the Public Funds Law) which are held, now or hereafter, by Custodian for the benefit of Depositor in accordance with the terms of this Agreement (the "Collateral"). At all times during the term of this Agreement, the Collateral shall consist solely of the following:

general obligations of the United States of America or its agencies or instrumentalities backed by its full faith and credit;

direct obligations of the State of Texas or Texas State agencies and instrumentalities;

collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States of America, the underlying security for which is guaranteed by an agency or instrumentality of the United States of America;

other obligations, the principal and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States of America or their respective agencies and instrumentalities;

obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent;

fixed-rate collateralized mortgage obligations that have an expected weighted average life of 10 years or less and which do not constitute a high-risk mortgage security as defined in the Public Funds Law;

floating-rate collateralized mortgage obligations that do not constitute a high-risk mortgage security as defined in the Public Funds Law; and

letters of credit issued by a federal home loan bank.

Bank shall cause Custodian to accept and hold the Collateral as bailee and/or custodian for Depositor to secure Bank's obligation to repay the deposits.

2. Receipts. The Collateral held by Custodian for the benefit of Depositor, as of the effective date of this Agreement, has been described on Trust Receipts (as defined in the Public Funds Law) issued by Custodian, copies of which Custodian has forwarded to Depositor, and such current Collateral is described on Exhibit "A" attached hereto and made a part hereof for all purposes. With respect to additional or substitute Collateral hereafter delivered by Bank to Custodian to hold for the benefit of Depositor, or any releases of securities previously held as Collateral ("Releases"), as contemplated by this Agreement, Bank shall cause Custodian to issue Trust Receipts or Releases describing such additional or substitute Collateral or released securities and promptly forward copies of same to Depositor. Such Trust Receipts and Releases which are furnished to Depositor by Custodian from time to time shall be deemed a part of this

Agreement without further action on the part of any party hereto, and this Agreement shall apply to such released, additional or substitute Collateral to the same extent as if it were described on Exhibit "A" attached hereto. If the Custodian is the Federal Reserve Bank, such Trust Receipts or Releases will consist of a written confirmation (the "Advice"). Such Advice shall be subject to the terms and conditions of all applicable regulations, operating circulars, bulletins and policies of the Federal Reserve Bank, including the terms and conditions of any applicable forms or agreements, as may now exist or hereafter be enacted, promulgated or issued by the Federal Reserve Bank (collectively "Applicable Regulations"). If the Custodian is the Federal Home Loan Bank of Dallas ("FHLB Dallas"), notwithstanding the foregoing, such Trust Receipts may be forwarded to Bank with instructions for Bank to immediately forward the same to Depositor. Bank hereby agrees to comply with Custodian's instructions and forward each Trust Receipt to Depositor immediately upon receipt of same. Upon request of Depositor, Bank agrees to provide or cause Custodian to provide a then-current list of all Collateral pledged by Bank to secure Depositor's funds to update Exhibit "A" to this Agreement. If the Custodian is FHLB Dallas and the Custodian is forwarding Trust Receipts to Bank, Depositor may, at any time and from time to time, request that FHLB Dallas provide one or more Trust Receipts directly to Depositor, and FHLB Dallas shall immediately so provide the requested Trust Receipts to the Depositor, at no cost to the Depositor.

3. Required Collateral Value. Bank agrees with Depositor that the total market value of the Collateral securing uninsured deposits maintained by Depositor with Bank will at all times during the term of the Agreement be not less than (i) one hundred ten percent (110%) of the amount of such uninsured deposits, if the determination of the market value of Collateral is calculated less frequently than weekly by Bank, or (ii) one hundred five percent (105%) of the amount of such uninsured deposits if the determination of the market value of Collateral is calculated at least weekly by Bank (the "Required Collateral Value"). To insure that the Required Collateral Value is maintained, Bank will redetermine, on a daily basis, the amount of Depositor's uninsured deposits (taking into account that day's deposits, accrued interest, disbursements and withdrawals) held by Bank and (using the most recently determined market value of the Collateral) promptly add any additional Collateral which may be necessary to maintain the Required Collateral Value by either (i) depositing with Custodian for the purposes of this Agreement any additional Collateral or (ii) if the Custodian is the Federal Reserve Bank, transferring additional Collateral to a restricted securities account, joint safekeeping account or other similar account maintained by the Federal Reserve Bank. **Determination of the market value of Collateral by Bank will be calculated periodically as indicated by Bank on the signature page hereof or more frequently on Depositor's request;** provided, however, the foregoing shall not relieve Bank of its obligation to fully collateralize at all times the Depositor's uninsured deposits with Bank. If upon the periodic determination of the Collateral's market value as set forth herein, the Required Collateral Value is not then maintained, Bank will promptly deposit with Custodian for the purposes of this Agreement additional Collateral necessary to maintain the Required Collateral Value.

4. Release of Collateral. Custodian shall not release any part of the Collateral without Depositor's written authorization. Depositor agrees to furnish such authorization promptly upon Bank's request under the circumstances described in Sections 5, 6, or 8 of this Agreement. Depositor's authorization to Custodian to release from the Collateral only

designated Eligible Securities shall terminate the security interest granted by Bank in this Agreement only with respect to such designated Eligible Securities. If the Custodian is the Federal Reserve Bank, this section shall apply except to the extent it is in conflict with the provisions of the Applicable Regulations, in which event the provisions of the Applicable Regulations shall govern the release of Collateral.

5. Substitution of Collateral. It is hereby agreed that upon obtaining the prior written consent of the Depositor, which consent shall not be unreasonably withheld, substitutions of the Collateral held hereunder may be made at any time so long as the fair market value of the Eligible Securities being substituted is at least equal to the fair market value of the Eligible Securities being removed. If the Custodian is the Federal Reserve Bank, this section shall apply except to the extent it is in conflict with the provisions of the Applicable Regulations, in which event the provisions of the Applicable Regulations shall govern the substitution of Collateral.

6. Excess Collateral. At such times as the aggregate market value of the Collateral held by Custodian exceeds the Required Collateral Value, Depositor, upon request by Bank, shall authorize Custodian to permit Bank to release the excess portion of the Collateral. Custodian shall have no further liability to Depositor with respect to those Eligible Securities released upon Depositor's authorization.

7. Additional Collateral. If at any time the aggregate market value of Collateral held by Custodian is less than the Required Collateral Value, Bank shall immediately upon learning of such circumstance, and without further action by Depositor, promptly either (i) deposit with Custodian sufficient additional Eligible Securities of the type specified in Section 1 as may be necessary to cause the aggregate market value of the Collateral to equal the Required Collateral Value, or (ii) transfer additional Eligible Securities of the type specified in Section 1 to the restricted securities account, joint safekeeping account or other similar account maintained by the Federal Reserve Bank as may be necessary to cause the aggregate market value of the Collateral to equal the Required Collateral Value and cause the Federal Reserve Bank to issue a corresponding Advice (and Bank will deposit with the Federal Reserve Bank additional Eligible Securities if and to the extent necessary to fulfill its obligations under this Agreement).

8. Earnings and Payments on Collateral. Bank shall be entitled to the interest income and earnings paid on the Collateral and Custodian may dispose of such interest income and earnings as directed by Bank without approval of Depositor, so long as Depositor has not notified Custodian of Bank's default under this Agreement. Bank shall not be entitled to and Custodian shall not release to Bank any partial or full call of the Collateral without Depositor's prior written authorization as described in Section 4 of this Agreement. If the Custodian is the Federal Reserve Bank, this section shall apply except to the extent it is in conflict with the provisions of the Applicable Regulations, in which event the provisions of the Applicable Regulations shall govern the disposition of interest earnings and principal payments on the Collateral.

9. Default and Remedies. If Bank fails at any time to pay and satisfy, when due, any check, draft, or voucher lawfully drawn against any deposit or becomes insolvent or materially breaches its contract with Depositor, a default shall exist under this Agreement and Depositor

shall give written notice of such default to Bank, and Bank shall have ten (10) days to cure same. In the event Bank fails to do so, it shall be the duty of Custodian, upon written demand of Depositor, to surrender or transfer the Collateral to Depositor or Depositor's nominee and Bank hereby irrevocably authorizes Custodian to surrender or transfer the Collateral upon the conditions herein specified. Depositor may sell all or any part of such Collateral in a commercially reasonable manner and out of the proceeds of the Collateral may pay Depositor all damages and losses sustained by it, together with all expenses of any and every kind incurred by it on account of such failure or insolvency sale. Depositor shall account to Bank for the remainder, if any, of said proceeds or Collateral remaining unsold. Such sale may be either at public or private sale; provided, however, Depositor shall give Bank ten (10) days' written notice of the time and place where such sale shall take place, and such sale shall be to the highest bidder for cash. Depositor and Bank shall have the right to bid at such sale. If the Custodian is the Federal Reserve Bank, this section shall apply except to the extent it is in conflict with the provisions of the Applicable Regulations, in which event the provisions of the Applicable Regulations shall govern the Depositor's exercise of remedies against the Collateral.

10. Authorization and Records. The Bank Board has authorized the pledge of Bank assets to collateralize uninsured deposits maintained by Depositor pursuant to resolutions substantially in the form of Annex I attached to the form of Resolution Certificate and Certificate of Incumbency attached hereto as Exhibit "B" (the "Resolution Certificate"), and has authorized the undersigned Bank officer to enter into, execute and deliver to Depositor this Agreement on behalf of Bank and to take all action which may be necessary or appropriate to create and perfect the security interest in the Collateral contemplated hereunder. Bank shall deliver to Depositor a fully executed Resolution Certificate as a condition precedent to the effectiveness of this Agreement and shall advise Depositor immediately of any revocation, amendment or modification thereof. Bank shall maintain this Agreement, its copies of all Trust Receipts, Releases and Advices, and the Resolution Certificate among its official records continuously until such time as this Agreement is terminated and all uninsured deposits of Depositor have been properly and fully paid out. This Agreement may be executed in one or more counterparts, each of which shall be an original.

11. Authorized Representative; Depositor Agreements. The Depositor hereby confirms that it has previously authorized its Investment Officer and/or Tax Assessor-Collector to execute this Agreement and any documentation required in connection therewith, including specifically pursuant to the Applicable Regulations and documentation related thereto, and to represent it and act on its behalf in any and all matters of every kind arising under this Agreement. During the term of this Agreement, the Depositor may further designate an additional officer or officers to singly or jointly represent and act on behalf of Depositor in any and all matters of every kind arising under this Agreement and, in such event, shall provide written notice thereof to Bank. In the event of any conflict between the provisions of this Agreement and any other agreement between the Depositor and the Bank relating to the deposits, this Agreement will control, unless the conflict is with the Applicable Regulations, in which event the Applicable Regulations will control. Bank and Depositor specifically agree that Depositor's prior approval is required for any par-for-par Collateral substitutions.

12. Custodian as Bailee. Custodian will promptly identify the pledge by Bank to Depositor of the Collateral on the Custodian's books and records and any additional or substitute Collateral and issue to Bank and Depositor Trust Receipts covering the Collateral. Similarly, Custodian will promptly remove from its books and records any securities released from the pledge by Bank in compliance with the terms of this Agreement and issue to Bank and Depositor appropriate Releases identifying the released securities. Custodian acknowledges that it is the bailee of Depositor for purposes of Section 2257.044 of the Public Funds Law, and its custodial capacity is deemed to be set forth on any Trust Receipt delivered to Bank and Depositor, whether such capacity is expressly so noted or not. If the Custodian is the Federal Reserve Bank, this section shall not apply, but Bank acknowledges the provisions of the Applicable Regulations which provide that the Federal Reserve Bank is acting as custodian/bailee; that the Collateral identified on the Advice is subject to the custodial provisions of the Applicable Regulations; and that the disposition thereof is subject to Depositor's approval.

13. Financial Condition. Bank will provide a statement of its financial position to the Depositor on at least a quarterly basis. Bank will provide to the Depositor an annual statement audited by its outside auditors including a statement by its outside auditors as to its "fair presentation."

14. Amendment, Modification, Renewal. Each permitted release of previously pledged Collateral and each addition to or permitted substitution for Collateral shall be deemed and considered, without further action by Bank or Depositor, as an amendment to Exhibit "A" attached hereto and a contemporaneous renewal and extension of this Agreement for the term hereinafter stated upon the same terms and containing the same provisions as set forth herein, except as the Collateral subject to this Agreement may be modified or amended thereby; provided, however, that any such renewal and extension shall not affect any transaction entered into prior to such renewal and extension until Bank shall have properly and fully paid out all uninsured deposits (including any uninsured time deposits) and Depositor shall have authorized Custodian to redeliver to Bank's sole control all Collateral then in Custodian's possession. Otherwise, this Agreement may not be amended or modified except by mutual written agreement of the parties hereto.

15. Term. Unless sooner terminated as hereinafter provided, the term of this Agreement, and any renewal or extension hereof resulting from any release, addition to or substitution of securities pledged as Collateral hereunder, shall commence on the date of this Agreement, or the date of such release, addition or substitution, and continue for a term of ten (10) years.

16. Termination. Either Depositor, Bank or Custodian may terminate this Agreement prior to the expiration of the term hereof upon thirty (30) days' advance written notice to the other parties or by entering into a new Public Funds Depositor Collateral Security Agreement which is intended to supercede and replace this Agreement; provided, however, that the terms of this Agreement shall continue to apply to all transactions entered into prior to such termination and until Bank shall have properly and fully paid out all uninsured deposits (including any uninsured time deposits) and Depositor shall have authorized Custodian to redeliver to Bank's sole control all Collateral then in Custodian's possession.

17. Custodian Fees. Any and all fees associated with the Custodian's holding of Collateral for the benefit of the Depositor will be paid by Bank and the Depositor will have no liability therefor.

In witness whereof, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day first above written.

DEPOSITOR:

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Bank hereby agrees that it will periodically determine the market value of Collateral and maintain the corresponding Required Collateral Value throughout the term of this Agreement as indicated below (provided, however, that in the event no indication is made below, the Required Collateral Value for all purposes of this Agreement shall be 110%):

- Less frequent than weekly                      No less than 110%
- Weekly    No less than 105%

BANK:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

The Custodian, if other than the Federal Reserve Bank, joins in the execution of this Agreement for purposes of Sections 4, 8, 9, 12 and 16, and if the Custodian is the Federal Reserve Bank, such joinder is to be evidenced as set forth in the Applicable Regulations, the Advice and any documentation related thereto.

CUSTODIAN:

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT "A"

[Description of Eligible Securities Pledged]

**EXHIBIT "B"**

RESOLUTION CERTIFICATE  
AND CERTIFICATE OF INCUMBENCY

OF \_\_\_\_\_ (BANK)

The undersigned hereby certifies as follows:

1. I am the officer of the Bank holding the title designated on the signature line of this Certificate.

2. Attached hereto as Annex I is a full, true and correct copy of resolutions (the "Resolutions") duly adopted by the [Board of Directors] [Loan Committee] of the Bank in conformity with the Articles of Association and By-laws of the Bank and in accordance with the laws of the State of Texas.

3. The Resolutions have not been amended, modified or rescinded, and are in full force and effect on the date hereof.

4. The Bank is duly organized and existing under the laws of

\_\_\_\_\_.

5. All franchise and other taxes required to maintain the Bank's existence have been paid and none of such taxes are delinquent.

6. No proceedings are pending for the forfeiture of the Bank's authority to do business or for its dissolution, voluntarily or involuntarily.

7. The Bank is qualified to do business in each state where the nature of its business requires such qualification.

8. There is no provision in the Articles of Association, By-laws or any other agreement, indenture or contract to which the Bank or its property is subject which limits the

Resolutions, and the Resolutions are in conformity with the provision of the Bank's Articles of Association and By-laws and with proceedings of the Board of Directors.

9. This resolution is made in order to comply with requirements of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, as amended, and 12 U.S.C. 1823(e), and shall constitute a business record of the Bank and shall be continuously maintained in the official business records of Bank.

10. The undersigned officers have been duly elected to the positions set opposite their respective names below and are qualified to act in the present capacities in which they sign for the Bank.

11. The signatures appearing opposite each of the undersigned officers is his or her authentic signature and each of the undersigned holds the office designated for the same.

<u>Name</u>	<u>Office</u>	<u>Signature</u>
_____	_____	_____
_____	_____	_____

EXECUTED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: [Secretary] [Recording Officer]

ANNEX I  
RESOLUTIONS

RESOLVED, that this Bank shall secure all deposits of Rock Prairie Management District No. 2 (the "District") in excess of amounts insured by the Federal Deposit Insurance Corporation ("Excess Funds") on deposit with the Bank at any time in whatever amount; and further

RESOLVED, in regard to the above referenced deposits, that the Chairman of the Board of Directors, President, any Executive Vice President, any Vice President, any Assistant Vice President, or any other officer of the Bank is hereby authorized and directed to execute for and on behalf of the Bank the following documents, it being further agreed that the execution of any of the same prior to the adoption of these resolutions is hereby ratified, confirmed and adopted:

1. A Public Funds Depositor Collateral Security Agreement (the "Collateral Security Agreement") in favor of the District, covering the Collateral described therein;

2. Such other and further documents as may be deemed necessary or desirable by such officer or as required by the District in regard to the securing of the Excess Funds; and further

RESOLVED, that the officers executing any of the above described documents are hereby authorized and empowered to do and perform any and all actions required by the terms and provisions of same to execute the same in the name and on behalf of the Bank, in such number of counterparts as the officer or officers executing the same shall deem necessary or desirable, with such terms, conditions, modifications, changes and provisions as the officer or officers executing the same may approve, the execution of such documents to evidence approval of the terms thereof conclusively; and further

RESOLVED, that any and all instruments executed and delivered on behalf of the Bank in connection with these resolutions by any person purporting to be an officer of the Bank shall

be deemed to be the act of the Bank and shall be in all respects binding against the Bank; and further

RESOLVED, that all actions of all officers, agents or other representatives of the Bank taken or performed up to the date hereof in respect to the preparation, execution and delivery of the documents, certificates or other instruments contemplated hereby, and the taking prior to the date hereof of any and all actions otherwise required by the terms and provisions of the above referenced documents, be, and they hereby are, in all respects approved, ratified and confirmed; and further

RESOLVED, that this approval is intended to comply in all respects with the requirements of applicable statutory law relating to insurance of accounts including specifically, but without limitation, the requirements of 12 U.S.C.A. §§ 1821(d)(9)(A) and 1823(e); and further

RESOLVED, that any deposit agreements between Bank and District and/or the Collateral Security Agreement are all intended to be, and shall be deemed to be, official records of the Bank; and further

RESOLVED, that any deposit agreements between Bank and District, the Collateral Security Agreement and these Resolutions shall be continuously maintained in the business records of the Bank.

# **EXHIBIT I**

ORDER DETERMINING NO IMPACT AND  
ESTABLISHING PROCEDURES IN COMPLIANCE WITH THE  
TEXAS PRIVATE REAL PROPERTY RIGHTS PRESERVATION ACT

WHEREAS, Rock Prairie Management District No. 2 (the "District") is a conservation and reclamation district and a political subdivision of the State of Texas created by an Act of the 83<sup>rd</sup> Texas Legislature (codified in Chapter 3909, Texas Special District Local Laws Code), enacted pursuant to the provisions of Sections 52 and 52-a of Article III and Section 59, Article XVI of the Texas Constitution (such being hereafter referred to as the "Act"); and

WHEREAS, the District was created under and operates pursuant to the Act, for the following purposes:

- (a) to provide a water supply for municipal uses, domestic uses and commercial purposes;
- (b) to collect, transport, process, dispose of and control all domestic, industrial or communal wastes whether in fluid, solid or composite state;
- (c) to gather, conduct, divert and control local storm water or other local harmful excesses of water in the District and the payment of organization expenses, operational expenses during construction and interest during construction;
- (d) to exercise road powers and authority pursuant to applicable law and the Act;
- (e) to promote, develop, encourage and maintain employment, commerce, economic development, safety, and the public welfare in the area within the District;
- (f) to secure expanded and improved parking and pedestrian facilities and systems to benefit land and property within the District;
- (g) to finance, develop and maintain recreational facilities for the people of the District, as allowed by applicable law and the Act; and
- (h) to provide such other facilities, systems, plants and enterprises as shall be consonant with the purposes for which the District is created and permitted under state law.

WHEREAS, The District is authorized by the Act to purchase, construct, acquire, own, operate, maintain, repair, improve, or extend inside and outside its boundaries any and all land, works, improvements, facilities, plants, equipment and appliances necessary to accomplish the purposes of its creation, or the purposes authorized by the Act or any other law, including all works, improvements, facilities, plants, equipment, appliances and programs incident, helpful, or necessary to:

- (a) supply water for municipal uses, domestic uses, power and commercial purposes and all other beneficial uses or controls;
- (b) collect, transport, process, dispose of and control all domestic, industrial, or communal wastes whether in fluid, solid, or composite state;
- (c) gather, conduct, divert, and control local storm water or other local harmful excesses of water in the District;
- (d) irrigate the land in the District;
- (e) alter land elevation in the District where it is needed;
- (f) navigate coastal and inland waters of the District;
- (g) finance, develop and maintain recreational facilities;
- (h) design, acquire, construct, finance and issue bonds for roads, under the authority of Article III, Section 52, Texas Constitution and the Act;
- (i) provide improvement projects and services authorized by the Act or Chapter 375, Texas Local Government Code;
- (j) provide facilities for parking of motor vehicles off the streets and related appurtenances; and
- (k) provide an economic development program for the District authorized by the Act.

WHEREAS, the District may be subject to the provisions of the Private Real Property Rights Preservation Act, Tex. Gov't. Code Ann. §2007.001, et. seq. (the "Preservation Act") relative to certain actions that may, from time to time, be taken by the District in connection with the exercise of its powers in fulfillment of its constitutionally and statutorily authorized purposes; and

WHEREAS, to the extent that the District is subject to the Preservation Act, if at all, the District desires to comply with same and to adopt this Order to declare and announce its categorical determination of certain actions where there is no impact on private real property rights and/or the actions are excepted from the coverage of the Preservation Act.

BE IT ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT:

Section 1: The District hereby finds and determines that the below listed actions are excepted from the requirements of the Preservation Act by virtue of the several exceptions set

out in §2007.003(b) thereof and/or by virtue of the exceptions set out in Tex. Water Code Ann. §49.212, to the extent same are applicable to the District, and/or that there is no private real property impact or taking which will result from any of said actions and therefore, no takings impact assessment will be required, as follows:

- (a) Actions related to the operation and maintenance of the District's water, sanitary sewer and drainage systems, recreational facilities, roadways, parking facilities or economic development facilities or programs;
- (b) Actions related to the regulation of uses of and charges for or related to the District's water, sanitary sewer and/or drainage systems, recreational facilities or roadways, parking facilities or economic development facilities or programs, including, without limitation, the adoption, amendment and enforcement of rules and regulations relating to connection to the systems, the receiving of potable water from the system, the delivery of wastewater into the system, and the issuance of commitments of capacity to owners of property, whether inside or outside the boundaries of the District, planning or desiring to connect private facilities to the District's systems;
- (c) Actions related to the maintenance, storage and disposition of District records;
- (d) Actions related to the levy, assessment and collection of ad valorem taxes;
- (e) Actions related to the annexation of land into and the exclusion of land from the District where such action is taken at the request of the owner of such land;
- (f) Actions taken to fulfill an obligation mandated by federal or state law;
- (g) Actions which discontinue or modify a program or regulation that provides a unilateral expectation that does not rise to the level of a recognized interest in private real property;
- (h) Actions taken in reasonable good faith belief that the action is necessary to prevent a grave and immediate threat to life or property;
- (i) Actions taken to prohibit or restrict a condition or use of private real property if the District proves that the condition or use constitutes a public or private nuisance as defined by background principals of nuisance and property laws of the State of Texas;
- (j) Actions pertaining to sewage facilities, prevention of waste or protection of rights of owners of interest in ground, and/or surface water and/or prevention of subsidence;

- (k) Actions taken which are related to appraisal of property for purposes of ad valorem taxation;
- (l) Actions taken in response to real and substantial threats to public health and safety in accordance with the requirements of the Preservation Act; and/or
- (m) Actions taken to regulate construction in an area designated under state or federal law as flood plain.

Section 2: The Board of Directors shall, with regard to any action proposed to be taken with respect to which the Preservation Act is applicable and which does not fall within the categories identified in Section 1 above, prior to taking such action, make a determination whether the proposed action will have an impact on or result in the taking of private real property and/or whether the proposed action is excepted from the coverage of the Preservation Act. If the Board of Directors is unable to make a determination that there is no impact on or taking of private real property pursuant to the provisions of the Preservation Act, the District shall undertake a takings impact assessment in accordance with the provisions of the Preservation Act prior to final approval or authorization by the Board of Directors of such proposed action.

Section 3: The President or Vice President and Secretary or Assistant Secretary of the Board of Directors of the District and the District's consultants are hereby authorized and directed to take any actions necessary to carry out the provisions of this Order.

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PASSED AND ADOPTED this 18<sup>th</sup> day of August, 2015.

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

ATTEST:

By:   
Secretary,  
Board of Directors

By:   
President,  
Board of Directors



386308.1

# **EXHIBIT J**

RESOLUTION ADOPTING LIST OF QUALIFIED BROKERS AUTHORIZED  
TO ENGAGE IN INVESTMENT TRANSACTIONS WITH  
ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

WHEREAS, Rock Prairie Management District No. 2 (the "District") is a body politic and corporate and a governmental agency of the State of Texas, operating under and governed by the provisions of Chapter 3909, Texas Special District Local Laws Code, and Sections 52 and 52-a of Article III and Section 59 of Article XVI of the Texas Constitution; and

WHEREAS, Chapter 2256, Texas Government Code, as amended, requires that the Board of Directors of the District annually review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the District;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2, THAT:

Section 1: The Board of Directors of the District hereby adopts the list of financial institutions, brokers and dealers attached hereto as Exhibit "A" as the list of qualified brokers that are authorized to engage in investment transactions with the District.

Section 2: The provisions of this Resolution shall be effective as of its date of approval by the Board of Directors and shall remain in effect until modified by action of the Board of Directors.

PASSED AND ADOPTED this 18th day of August, 2015.

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
\_\_\_\_\_  
President, Board of Directors

ATTEST:

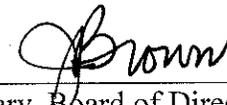
By:   
\_\_\_\_\_  
Secretary, Board of Directors



EXHIBIT "A"

LIST OF AUTHORIZED BROKERS

Allegiance Bank Texas  
Amegy Bank, N.A.  
American Bank of Commerce (ABC Bank)  
American Bank of Texas  
Austin Capital Bank SSB  
Bank of America N.A./Merrill Lynch  
Bank of Texas/BOKF, N.A.  
Bank of the Ozarks  
Bank of the West  
BBVA – Compass Bank  
Beal Bank SSB  
Blackrock Investments, Inc.  
BOSC, Inc.  
Business Bank of Texas, N.A.  
Cadence Bank, N.A.  
Capital Bank of Texas  
Capital One, N.A.  
Central Bank  
Chasewood Bank  
Citibank N.A./Citigroup  
Coastal Securities, Inc.  
Comerica Bank  
Commercial State Bank  
Community Bank of Texas  
East West Bank  
Edward Jones  
Enterprise Bank  
Federated Investors Inc.  
Fidelity Investments  
First Banks, Inc.  
First Bank & Trust  
First Bank and Trust East Texas  
First Bank of Conroe  
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 Bank  
Green Bank, N.A.  
Heritage Bank  
Herring National Bank  
HomeTown Bank, N.A.  
IberiaBank  
Icon Bank of Texas, N.A.  
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.  
LOGIC (Local Gov't. Investment  
Cooperative)  
Lone Star Bank  
Lone Star Investment Pool/First Public, LLC  
Lowery Bank, a division of Huntington State  
Bank  
Memorial City Bank  
MidSouth Bank, N.A.  
Moody National Bank  
Morgan Stanley/Smith Barney  
NewFirst National Bank  
Patriot Bank  
Pioneer Bank  
PlainsCapital Bank  
Plains State Bank  
Post Oak Bank  
Preferred Bank  
Prosperity Bank  
Raymond James  
R Bank  
RBC Capital Markets/RBC Investments  
Regions Bank  
Robert W. Baird & Company, Inc.  
Security State Bank N.A.  
Southwest Securities, Inc./Southwest Securities, FSB  
Sovereign Bank  
Spirit of Texas Bank SSB  
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)  
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  
The State Bank of Texas  
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  
United Texas Bank  
Unity National Bank  
U.S. Bank, N.A.  
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, 2015

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# **EXHIBIT K**

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

RESOLUTION ESTABLISHING A FISCAL YEAR

WHEREAS, the Board of Directors of Rock Prairie Management District No. 2 (the "District"), is authorized pursuant to Section 3909.007, Texas Special District Local Laws Code, and Section 375.096(a)(5), Texas Local Government Code, as amended, to establish a fiscal year for the District; and

WHEREAS, the Board of Directors of the District deems it necessary and advisable to establish the District's fiscal year to commence on each June 1 and to end on May 31 of the following year; and

WHEREAS, the Rules of the Texas Commission on Environmental Quality ("Commission") require that when a fiscal year of the District is established, the Board of Directors of the District shall notify the Commission regarding same; Now, Therefore,

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT:

Section 1: The fiscal year of the District is hereby established as beginning on June 1 of each year and ending on the following May 31.

Section 2: The fiscal year of the District for 2016 shall be and is hereby established as beginning on June 1, 2015, and ending on May 31, 2016.

Section 3: Certified copies of this Resolution shall be furnished to the District's auditors, the Commission and all other persons interested in the establishment of the District's fiscal year.

PASSED AND ADOPTED ON THIS 18th day of August, 2015.

ATTEST:

ROCK PRAIRIE MANAGEMENT  
DISTRICT NO. 2

By:   
Secretary, Board of Directors

By:   
President, Board of Directors

328508.2



# **EXHIBIT L**

ORDER CALLING BOND AND MAINTENANCE TAX ELECTION

WHEREAS, Rock Prairie Management District No. 2, located in Brazos County, Texas (the "District"), was heretofore duly created by Chapter 1114, Acts of the 83<sup>rd</sup> Texas Legislature, Regular Session, 2013, codified as Chapter 3909, Texas Special District Local Laws Code (the "Act"); and

WHEREAS, the District lies wholly within the corporate limits of the City of College Station, Texas (the "City"), and the City, by its Resolution No. 07-09-15-02, has consented to the creation of the District; and

WHEREAS, the directors of the District have been appointed and have met and organized and have qualified to serve as directors of the District by making the sworn statement, taking the oath, and making the bond required by law; and

WHEREAS, Section 3909.202 of the Act provides that the District may impose an annual operation and maintenance tax if authorized by a majority of the voters of the District voting at an election held for that purpose; and

WHEREAS, the Board of Directors of the District (the "Board") has determined that it would be of benefit to the District to be authorized to levy and collect a tax for operation and maintenance purposes and other purposes now or hereafter authorized by the constitution and the laws of the State of Texas, including funds for planning, constructing, acquiring, maintaining, repairing, and operating all necessary land, plants, works, facilities, improvements, appliances, and equipment of the District and for paying costs of proper services, engineering and legal fees, and organization and administrative expenses; and

WHEREAS, the Board has determined that an election should be held and at which there shall be submitted to the duly qualified voters of the District a proposition on the levy and

THIS NOTICE MUST REMAIN CONTINUOUSLY POSTED UNTIL NOVEMBER 4, 2015.

collection of an annual maintenance tax not to exceed one dollar (\$1.00) on each \$100 valuation of all taxable property within the District; and

WHEREAS, the District is authorized by Section 3909.204 of the Act to issue bonds, notes, or other obligations of the District to pay for any authorized District purpose; and

WHEREAS, the District is authorized by Chapter 1207, Texas Government Code, to issue refunding bonds to refund or refinance any bonds, notes, or other obligations of the District; and

WHEREAS, before issuing bonds payable in whole or in part from ad valorem taxes, the Board is authorized and required by Section 3909.201(b) of the Act to call and hold an election; and

WHEREAS, there has been filed in the office of the District, open to inspection by the public, an engineer's report covering the works, land, improvements, facilities, plants, equipment, appliances, programs and services to be financed, purchased, constructed, acquired, owned, operated, repaired, provided or extended by the District, and the property, administrative facilities, contract rights, rights of use and interests in property, and regional, regulatory or joint use participation rights to be financed, purchased, acquired or provided by the District (collectively, the "Improvements"), as well as the estimated probable costs of all of the foregoing, together with maps, plats, profiles and/or data showing and explaining the report; and

WHEREAS, said Improvements are intended to provide a waterworks system, a sanitary sewer system and a drainage and storm sewer system, and road facilities for the District; and

WHEREAS, such engineer's report includes estimates of the probable costs of the planning, design, construction, purchase, acquisition and implementation of the Improvements and additions thereto, and incidental expenses connected with the Improvements and the issuance of bonds by the District, as follows:

ESTIMATE OF PROBABLE COSTS  
(Waterworks, Sanitary Sewer and Drainage and Storm Sewer Systems)

I.	<u>Estimated Design, Construction, Purchase and Acquisition Costs</u>	
	Water Supply and Distribution Facilities and Services	\$6,247,670
	Sanitary Sewer Collection, Transportation, Treatment and Disposal Facilities and Services	\$10,643,303
	Drainage, Stormwater Detention and Pollution Control Facilities and Services	\$12,386,286
	Land, Easements and Rights-of-Way	\$1,809,900
	Contingencies	\$4,663,074
	Engineering	\$5,430,453
	Inflation	\$10,295,172
	Total Estimated Design, Construction, Purchase and Acquisition Costs	\$51,475,858
II.	<u>Estimated Incidental Expenses</u>	
	Legal Fees	\$2,142,000
	Fiscal Agent Fees	\$1,428,000
	Developer Interest	\$5,147,586
	Capitalized Interest	\$7,140,000
	Bond Discount	\$2,142,000
	Administrative, Organizational, and Issuance Fees and Expenses	\$594,656
	Operating Costs	\$480,000

TCEQ Bond Proceeds Fee	\$178,500
Bond Application Report Costs	\$600,000
Attorney General Review Fees	\$71,400
Total Estimated Incidental Expenses	\$19,924,142
<b>Total Estimated Bond Issue Requirement</b>	<b>\$71,400,000</b>

ESTIMATE OF PROBABLE COSTS  
(Road Facilities)

I.	<u>Estimated Design, Construction, Purchase and Acquisition Costs</u>	
	Road Facilities	\$45,732,666
	Land, Easements and Rights-of-Way	\$1,050,000
	Contingencies	\$7,017,400
	Engineering	\$8,440,010
	Inflation	\$15,560,019
	Total Estimated Design, Construction, Purchase and Acquisition Costs	\$77,800,095
II.	<u>Estimated Incidental Expenses</u>	
	Legal Fees	\$3,198,000
	Fiscal Agent Fees	\$2,132,000
	Developer Interest	\$7,780,009
	Capitalized Interest	\$10,660,000
	Bond Discount	\$3,198,000
	Administrative and Issuance Fees and Expenses	\$1,725,296

Attorney General Review Fees	\$106,600
Total Estimated Incidental Expenses	\$28,799,905
<b>Total Estimated Bond Issue Requirement</b>	<b>\$106,600,000</b>

WHEREAS, the above costs are estimates only and the Improvements and the costs thereof may change based upon actual requirements as development occurs within the District; and

WHEREAS, the Board hereby finds that said total estimates of \$71,400,000 for a waterworks system, a sanitary sewer system and drainage and storm sewer system and \$106,600,000 for road facilities are reasonable and proper and will be sufficient for the aggregate costs to provide such Improvements and additions thereto, and incidental expenses connected with the Improvements and the issuance of bonds by the District; and

WHEREAS, the District is authorized to purchase, construct, acquire, own, operate, maintain, repair, improve or extend inside and outside its boundaries any and all land, improvements, facilities, plants, equipment and appliances necessary to accomplish the purposes of its creation and to issue its bonds (including refunding bonds) to accomplish such purposes, except as limited by applicable general, special or local laws, or the rules, regulations or ordinances of any applicable city, county or agency with jurisdiction; and

WHEREAS, pursuant to applicable law, such bonds may be issued singly or in various series or issues, with or without interest coupons, in any denomination, maturing serially or otherwise payable at such time or times not exceeding forty (40) years from their date or dates, in such amount or amounts or installments, at such place or places, in such form, under such terms, conditions, and details, in such manner, redeemable prior to maturity at any time or times, bearing no interest, or bearing interest at any rate or rates (either fixed, variable, floating, adjustable, or otherwise), all as determined by the Board; and

WHEREAS, to ensure the continuing and orderly development of the District on terms and conditions which are feasible and practical, the District anticipates that said bonds will be

WHEREAS, to ensure the continuing and orderly development of the District on terms and conditions which are feasible and practical, the District anticipates that said bonds will be issued in multiple series or issues over an extended period of time, all as determined by the Board to be feasible and practical and in the best interests of the District; and

WHEREAS, the Board has determined to call an election to be held on November 3, 2015, and at which there shall be submitted to the duly qualified voters of the District a proposition on the issuance of the District's bonds in the maximum aggregate original principal amount of \$71,400,000, and the payment of the principal of and interest on such bonds by the levy and collection of taxes, without limit as to rate or amount, upon all taxable property within the District, in order to provide for the costs of purchasing, constructing, acquiring, owning, operating, repairing, improving or extending a waterworks system, a sanitary sewer system and a drainage and storm sewer system for the District and additions to such systems, and the incidental expenses connected with such systems and the issuance of such bonds, all as now or hereafter authorized by the constitution and the laws of the State of Texas, including, without limitation, Article 16, Section 59, of the Texas Constitution; and

WHEREAS, the Board has determined that at said election to be held on November 3, 2015, there shall also be submitted to the duly qualified voters of the District a proposition on the issuance of the District's bonds in the maximum aggregate original principal amount of \$106,600,000, and the payment of the principal of and interest on such bonds by the levy and collection of taxes, without limit as to rate or amount, upon all taxable property within the District, in order to provide for the costs of purchasing, constructing, acquiring, owning, operating, repairing, improving or extending road facilities for the District and additions to such facilities, and the incidental expenses connected with such facilities and the issuance of such bonds, all as now or hereafter authorized by the constitution and the laws of the State of Texas, including, without limitation, Article 3, Section 52, of the Texas Constitution; and

WHEREAS, the Board has determined that at said election to be held on November 3, 2015, there shall also be submitted to the duly qualified voters of the District a proposition on the

issuance of the District's bonds in the maximum aggregate original principal amount of \$71,400,000, and the payment of the principal of and interest on such refunding bonds by the levy and collection of taxes, without limit as to rate or amount, upon all taxable property within the District, for the purpose of refunding all or any part of the principal of or interest on bonds of the District authorized by Article 16, Section 59, of the Texas Constitution, whether said bonds to be refunded are hereunder, on even date herewith, or hereafter authorized, all as now or hereafter authorized by the constitution and the laws of the State of Texas; and

WHEREAS, the Board has determined that at said election there shall also be submitted to the duly qualified voters of the District a proposition on the issuance of the District's bonds in the maximum aggregate original principal amount of \$106,600,000, and the payment of the principal of and interest on such refunding bonds by the levy and collection of taxes, without limit as to rate or amount, upon all taxable property within the District, for the purpose of refunding all or any part of the principal of or interest on bonds of the District authorized by Article 3, Section 52, of the Texas Constitution, whether said bonds to be refunded are hereunder, on even date herewith, or hereafter authorized, all as now or hereafter authorized by the constitution and the laws of the State of Texas; and

WHEREAS, pursuant to the applicable provisions of the Act, Chapter 375, Texas Local Government Code, and Section 49.102, Texas Water Code, the aforesaid elections may be held on the same day, at the same time, and in conjunction with one another, and the Board may call such elections by and through a single order; and

WHEREAS, the Board wishes to proceed with the calling of said elections;

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT:

Section 1: The matters and facts set out in the preamble of this Order are hereby found and declared to be true and complete and made a part of this Order.

Section 2: The engineer's report described in the preamble of this Order, including the aggregate estimates of probable costs as set out in the preamble of this Order, are hereby approved.

Section 3: Special elections shall be held on the 3<sup>rd</sup> day of November, 2015 ("Election Day"), at which there shall be submitted to the duly qualified voters of the District the following propositions:

#### PROPOSITION I

SHALL THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 BE AUTHORIZED TO ASSESS, LEVY AND COLLECT AN ANNUAL MAINTENANCE TAX NOT TO EXCEED \$1.00 ON EACH \$100 VALUATION OF ALL TAXABLE PROPERTY WITHIN SAID DISTRICT TO SECURE FUNDS FOR OPERATION AND MAINTENANCE AND OTHER AUTHORIZED PURPOSES, INCLUDING, BUT NOT LIMITED TO, FUNDS FOR PLANNING, CONSTRUCTING, ACQUIRING, MAINTAINING, REPAIRING, AND OPERATING ALL NECESSARY LAND, PLANTS, FACILITIES, IMPROVEMENTS, APPLIANCES, AND EQUIPMENT OF SUCH DISTRICT, AND FOR THE PAYMENT OF PROPER SERVICES, ENGINEERING AND LEGAL FEES, AND ORGANIZATION AND ADMINISTRATIVE EXPENSES, ALL AS NOW OR HEREAFTER AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

#### PROPOSITION II

SHALL THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF \$71,400,000 MATURING SERIALLY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF SAID BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, OPERATING, REPAIRING, IMPROVING, OR EXTENDING A WATERWORKS SYSTEM, A SANITARY SEWER SYSTEM AND A DRAINAGE AND STORM SEWER SYSTEM, INCLUDING, BUT NOT LIMITED TO, ALL ADDITIONS TO SUCH SYSTEMS AND ALL LAND, IMPROVEMENTS, FACILITIES, PLANTS, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY AND REGIONAL, REGULATORY OR JOINT USE PARTICIPATION RIGHTS OR CONTRACT RIGHTS

NEEDED THEREFOR, AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, AND TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION ANNUALLY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS NOW OR HEREAFTER AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

### PROPOSITION III

SHALL THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF \$106,600,000 MATURING SERIALY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF SAID BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OR PURPOSES OF PURCHASING, CONSTRUCTING, ACQUIRING, OWNING, OPERATING, REPAIRING, IMPROVING, OR EXTENDING ROAD FACILITIES OR FACILITIES IN AID THEREOF, INCLUDING, BUT NOT LIMITED TO, LANDSCAPING, LIGHTING, BANNERS AND SIGNS, SIGNALIZATION, BEAUTIFICATION, SIDEWALKS AND CROSSWALKS, AND ALL ADDITIONS TO SUCH FACILITIES, AND ALL LAND, IMPROVEMENTS, FACILITIES, EQUIPMENT, APPLIANCES, INTERESTS IN PROPERTY AND CONTRACT RIGHTS NEEDED THEREFOR, AND ADMINISTRATIVE FACILITIES NEEDED IN CONNECTION THEREWITH, AND TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS BY THE LEVY AND COLLECTION ANNUALLY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS NOW OR HEREAFTER AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

### PROPOSITION IV

SHALL THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF \$71,400,000 MATURING SERIALY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF SAID

BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OF REFUNDING BY ANY MEANS NOW OR HEREAFTER AUTHORIZED BY LAW, ALL OR ANY PORTION OF ANY BONDS OR REFUNDING BONDS OF THE DISTRICT AUTHORIZED BY ARTICLE 16, SECTION 59 OF THE TEXAS CONSTITUTION, PAYABLE IN WHOLE OR IN PART FROM TAXES, WHETHER HEREUNDER, ON EVEN DATE HERewith, OR HEREAFTER AUTHORIZED OR ISSUED BY THE DISTRICT, AND TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH REFUNDING BONDS BY THE LEVY AND COLLECTION OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS NOW OR HEREAFTER AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

#### PROPOSITION V

SHALL THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 BE AUTHORIZED TO ISSUE THE BONDS OF SAID DISTRICT IN ONE OR MORE ISSUES OR SERIES IN THE MAXIMUM AGGREGATE ORIGINAL PRINCIPAL AMOUNT OF \$106,600,000 MATURING SERIALY OR OTHERWISE IN SUCH INSTALLMENTS AS ARE FIXED BY SAID BOARD OVER A PERIOD OR PERIODS NOT EXCEEDING FORTY (40) YEARS FROM THEIR DATE OR DATES, BEARING INTEREST AT ANY RATE OR RATES, AND TO SELL SAID BONDS AT ANY PRICE OR PRICES, PROVIDED THAT THE NET EFFECTIVE INTEREST RATE ON ANY ISSUE OR SERIES OF SAID BONDS SHALL NOT EXCEED THE MAXIMUM LEGAL LIMIT IN EFFECT AT THE TIME OF ISSUANCE OF EACH ISSUE OR SERIES OF SAID BONDS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF SAID DISTRICT, FOR THE PURPOSE OF REFUNDING BY ANY MEANS NOW OR HEREAFTER AUTHORIZED BY LAW, ALL OR ANY PORTION OF ANY BONDS OR REFUNDING BONDS OF THE DISTRICT AUTHORIZED BY ARTICLE 3, SECTION 52 OF THE TEXAS CONSTITUTION, PAYABLE IN WHOLE OR IN PART FROM TAXES, WHETHER HEREUNDER, ON EVEN DATE HERewith, OR HEREAFTER AUTHORIZED OR ISSUED BY THE DISTRICT, AND TO PROVIDE FOR THE PAYMENT OF THE PRINCIPAL OF AND THE INTEREST ON SUCH REFUNDING BONDS BY THE LEVY AND COLLECTION OF A TAX, WITHOUT LIMIT AS TO RATE OR AMOUNT, UPON ALL TAXABLE PROPERTY WITHIN SAID DISTRICT, ALL AS NOW OR HEREAFTER AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

Section 4: As authorized by Chapter 31 and Chapter 271 of the Texas Election Code, the elections shall be conducted by Brazos County, Texas, pursuant to the Interlocal Government Agreement (Joint Election). The District hereby appoints Karen McQueen, Brazos County Elections Administrator, to perform or to supervise the performance of any and all of the duties

or responsibilities related to the conduct of the elections, as further specified in the Interlocal Government Agreement (Joint Election).

Section 5: The District hereby adopts by number, as its precincts for purposes of the elections, those election precincts established by Brazos County pursuant to Chapter 42, Texas Election Code in which the eligible voters of the District may vote.

Section 6: The District hereby appoints Karen McQueen, County Clerk, Brazos County, as the District's Early Voting Clerk for the elections. Early voting by personal appearance shall be available to any eligible voter of the District and shall be conducted at the locations and on the days and during the times established by Brazos County pursuant to the Interlocal Government Agreement (Joint Election), as set forth on Exhibit "A" attached hereto. Ballot applications by eligible voters of the District for early voting by mail shall be addressed to the Early Voting Clerk. The official mailing address of the Early Voting Clerk is Brazos County Clerk's Office, 300 East 26<sup>th</sup> Street, Suite 120, Bryan, Texas 77803.

Section 7: Any eligible voter of the District may vote by personal appearance on Election Day at the polling locations established by Brazos County pursuant to the Interlocal Government Agreement (Joint Election), as set forth on Exhibit "B" attached hereto. Voting by personal appearance on Election Day shall be conducted between the hours of 7:00 a.m. and 7:00 p.m., except as provided by Section 41.032, Texas Election Code.

Section 8: Tara Johnson is hereby appointed as the District's designated election agent (the "Election Agent") to perform election duties required pursuant to the provisions of Section 31.123, Texas Election Code, and Section 49.109, Texas Water Code. The duration of appointment of such Election Agent shall be from August 18, 2015 until a successor is appointed, and the office hours of such Election Agent shall be from 9:00 a.m. to 5:00 p.m. daily,

except Saturdays, Sundays or official state holidays. True and correct copies of all documents and materials pertaining to the elections shall be maintained on file in the office of Election Agent at 1300 Post Oak Boulevard, Suite 1400, Houston, Harris County, Texas 77056, open to inspection by the public or any person interested therein.

Section 9: Pursuant to Sections 123.001 and 61.012 of the Texas Election Code, as amended, the District hereby adopts for use at the elections the Hart InterCivic eSlate System, Version 4.2.13, for voting or early voting by personal appearance at the Brazos County, Texas voting precincts, as same has been certified by the Texas Secretary of State as an accessible direct recording electronic voting system. In addition, pursuant to Sections 123.006, 63.011 and 125.006, Texas Election Code, the District authorizes the use of paper ballots to the extent necessary in connection with balloting by mail, provisional balloting, or in the event that an emergency prevents the use of the aforesaid direct recording electronic voting systems.

Ballots shall conform to the requirements of the Texas Election Code and be prepared and made available to voters in the English and Spanish languages. The form of the ballot shall be substantially as follows, subject to such formatting and non-substantive revisions as may be necessary or required by the Brazos County Elections Administrator:

NO. \_\_\_\_\_

BOND AND MAINTENANCE TAX ELECTION  
November 3, 2015

ELECCION DE BONOS  
Y IMPUESTO DE MANTENIMIENTO  
3 DE NOVIEMBRE DE 2015

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

OFFICIAL BALLOT  
BALOTA OFICIAL

---

INSTRUCTION NOTE: Place an "X" in the square beside the statement indicating the way you wish to vote.

INSTRUCCIONES: El votante indicara como desea votar colocando una "X" en el cuadrado que corresponda.

---

PROPOSITION I  
PROPOSICION I

- |                          |                      |   |
|--------------------------|----------------------|---|
| <input type="checkbox"/> | FOR<br>A FAVOR       | MAINTENANCE TAX NOT TO EXCEED \$1.00 PER \$100 OF<br>ASSESSED VALUATION         |
| <input type="checkbox"/> | AGAINST<br>EN CONTRA | IMPUESTO DE MANTENIMIENTO QUE NO EXCEDA DE<br>\$1.00 POR CADA \$100 DE TASACIÓN |

PROPOSITION II  
PROPOSICION II

- |                          |                      |  |
|--------------------------|----------------------|--|
| <input type="checkbox"/> | FOR<br>A FAVOR       | THE ISSUANCE OF \$71,400,000 WATER, SANITARY<br>SEWER AND DRAINAGE FACILITIES BONDS AND THE<br>LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR<br>AMOUNT, IN PAYMENT OF THE BONDS                                   |
| <input type="checkbox"/> | AGAINST<br>EN CONTRA | LA EMISIÓN DE \$71,400,000 EN BONOS PARA<br>INSTALACIONES DE AGUA, ALCANTARILLADO<br>SANITARIO Y DRENAJE Y LA IMPOSICIÓN DE<br>IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O<br>CANTIDAD, PARA EL PAGO DE LOS BONOS |

PROPOSITION III  
PROPOSICIÓN III

- |                          |     |   |
|--------------------------|-----|---|
| <input type="checkbox"/> | FOR | THE ISSUANCE OF \$106,600,000 ROAD FACILITIES |
|--------------------------|-----|---|

- |   |  |
|---|--|
| <input type="checkbox"/> A FAVOR<br><br><input type="checkbox"/> AGAINST<br>EN CONTRA | BONDS AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS<br>LA EMISIÓN DE \$106,600,000 EN BONOS PARA INSTALACIONES DE CAMINOS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS |
|---|--|

PROPOSITION IV  
PROPOSICION IV

- |   |  |
|---|--|
| <input type="checkbox"/> FOR<br>A FAVOR       | THE ISSUANCE OF \$71,400,000 REFUNDING BONDS TO REFUND BONDS AUTHORIZED BY ARTICLE 16, SECTION 59 OF THE TEXAS CONSTITUTION AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS<br>LA EMISIÓN DE \$71,400,000 EN BONOS PARA REEMBOLSAR BONOS AUTORIZADOS POR EL ARTÍCULO 16, SECCIÓN 59 DE LA CONSTITUCIÓN DE TEXAS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS |
| <input type="checkbox"/> AGAINST<br>EN CONTRA |  |

PROPOSITION V  
PROPOSICION V

- |   |   |
|---|---|
| <input type="checkbox"/> FOR<br>A FAVOR       | THE ISSUANCE OF \$106,600,000 REFUNDING BONDS TO REFUND BONDS AUTHORIZED BY ARTICLE 3, SECTION 52 OF THE TEXAS CONSTITUTION AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS<br>LA EMISIÓN DE \$106,600,000 EN BONOS PARA REEMBOLSAR BONOS AUTORIZADOS POR EL ARTÍCULO 3, SECCIÓN 52 DE LA CONSTITUCIÓN DE TEXAS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A LA TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS |
| <input type="checkbox"/> AGAINST<br>EN CONTRA |   |

Section 10: The following provisions regarding notice of the elections shall apply except to the extent that the Interlocal Government Agreement (Joint Election) specifies that Brazos County shall provide such notice. This Order shall constitute the order for the calling of the elections and shall, subject to the foregoing sentence, also constitute notice of the elections.

The Election Agent is hereby authorized and directed to cause notice of the elections to be given by posting copies of this Order at (i) the public places used for the posting of meeting notices of the District, including but not limited to the public place within the District designated by the Board for the posting of meeting notices of the District, (ii) at two other public places within the boundaries of the District, and (iii) at any such location as may be required in order to post a copy within the applicable voting precinct within or for the District. Said postings shall be completed not later than twenty-one (21) days before Election Day (unless said day is a Saturday, Sunday or official state holiday and in which case it shall be posted on the next regular business day). Additionally, the Election Agent is hereby authorized and directed to cause this Order to be posted in in a prominent location at each polling place on Election Day and during early voting by personal appearance. In all such instances, copies of this Order shall be posted in the English and Spanish languages.

Section 11: (a) The elections shall be held and conducted and returns made to this Board in accordance with the constitution and the laws of the State of Texas, including but not limited to, applicable provisions of the Act, the Texas Election Code, the Texas Local Government Code and the Texas Water Code, and as provided in the Interlocal Government Agreement (Joint Election).

(b) With regard to the bonds to be authorized at the elections, the following statements are made solely to comply with the requirements of Section 3.009(b), Texas Election Code:

- (1) The proposition language that will appear on the ballot is set forth under Section 9 hereof.
- (2) The purposes for which the bonds are to be authorized are described, respectively, in Propositions II through V under Section 3 hereof.
- (3) The maximum aggregate original principal amounts of bonds to be authorized are described, respectively, in Propositions II through V under Section 3 hereof.

- (4) Should the issuance of the bonds described in Propositions II through V under Section 3 hereof be authorized, the Board shall be authorized to issue such bonds and to levy a sufficient tax, without limit as to rate or amount, upon all taxable property within the District to provide for the payment of the principal of and the interest on such bonds.
- (5) Should the issuance of the bonds described in Propositions II through V under Section 3 hereof be authorized, it is estimated that, based on the market conditions as of the date hereof, the District will assess, levy and collect a total annual debt service tax of \$1.00 on each \$100 valuation of all taxable property within the District to provide for the payment of the principal of and the interest on such bonds.

As used hereinabove, the term "market conditions" takes into consideration a number of factors which are not subject to the reasonable control of the District, including, by way of example and without limitation, the capital improvement needs of the District and the costs of such improvements, the development of property within the District, the valuation of taxable property within the District, the prevailing demographic and housing market conditions affecting the District, the prevailing economic conditions affecting the District, the market conditions affecting the sale of such bonds, and the economic feasibility rules of the Commission promulgated under Section 293.59 of Title 30, Texas Administrative Code. Accordingly, the District cannot and does not make any representation, warranty or guarantee herein that such market conditions will continue unchanged after the date hereof, or exist as of the date of the actual issuance of any of such bonds.

The estimate made in the first paragraph of this subsection (b)(5) is provided for illustrative purposes solely in response to Section 3.009(b)(5), Texas Election Code. Such estimate is not part of any of the Propositions to be submitted to the

voters and should not be construed to limit, amend or otherwise modify the express language of Propositions II through V under Section 3 hereof, or to create a contract with the voters relative to the terms upon which the bonds to be authorized hereunder may be issued or the tax rate that may be levied in payment of such bonds. Should the issuance of the bonds described in Propositions II through V under Section 3 hereof be authorized, the schedule for the issuance of such bonds, the terms upon which such bonds shall be issued, and the rate of the debt service tax levied to provide for the payment of the principal of and the interest on any of such bonds shall be determined by the Board, in accordance with said Propositions and as now or hereafter authorized by the constitution and the laws of the State of Texas. Accordingly, the District cannot and does not make any representation, warranty or guarantee as to a particular debt service tax rate that will be levied to provide for the payment of the principal of and the interest on any of such bonds.

- (6) The maximum maturity date of any issuance of the bonds to be authorized is described, respectively, in Propositions II through V under Section 3 hereof.
- (7) The aggregate amount of the outstanding principal of the District's public securities, as defined by Section 1201.002, Texas Government Code, was \$-0- as of June 1, 2015, the beginning of the District's current fiscal year.
- (8) The aggregate amount of the outstanding interest on the District's public securities was \$-0- as of June 1, 2015, the beginning of the District's current fiscal year.
- (9) As of the date hereof, the ad valorem debt service tax rate of the District is \$-0- per \$100 valuation of taxable property.

Section 12: The Board officially finds, determines and declares that this Order was reviewed, considered and adopted at a meeting of the Board beginning at 3:00 p.m., Houston, Texas time on August 18, 2015, and that a sufficient written notice of the date, hour, place and subject of this meeting was posted at the District's administrative office and at a place readily

accessible and convenient to the public within the District and was timely furnished to the County Clerk of Brazos County, Texas, for posting on a bulletin board located at a place convenient to the public in the Brazos County Courthouse for the time prescribed by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code, and that this meeting has been open to the public, as required by law, at all times during which this Order and the subject matter hereof has been discussed, considered and acted upon. The Board further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 13: The Board hereby reserves the right to amend or supplement this Order as deemed necessary and appropriate. The Board further reserves the right to cancel the elections or remove one or more of the aforesaid Propositions from the ballot in accordance with Section 49.112, Texas Water Code.

Section 14: The form of the Interlocal Government Agreement (Joint Election) is hereby approved. The President or Vice President and the Secretary or Assistant Secretary of the Board is hereby authorized to execute the Interlocal Government Agreement (Joint Election) on behalf of the District.

Section 15: Unless expressly provided otherwise, all references herein to the Constitution of the State of Texas, the Act, Texas Election Code, Texas Local Government Code, 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 the date this Order is passed and adopted.

Section 16: The President or Vice President and Secretary or Assistant Secretary of the Board and the Election Agent are each hereby authorized and directed to take any action necessary to carry out the provisions of this Order.

*[Signature Page Follows]*

PASSED AND ADOPTED this 18th day of August, 2015.



\_\_\_\_\_  
President, Board of Directors

ATTEST:



\_\_\_\_\_  
Secretary, Board of Directors

(SEAL)



386086.1

**EXHIBIT "A"**  
*ANEXO "A"*

**EARLY VOTING LOCATIONS  
(LUGARES DE VOTACIÓN ANTICIPADA)**

<b>Name of Facility Nombre de la instalación</b>	<b>Physical Address Dirección física</b>	<b>City Ciudad</b>	<b>Zip Code Código postal</b>
Arena Hall	2906 Tabor Road Tabor Road & N. Earl Rudder Freeway	Bryan	77803
Brazos County Administration Building	200 South Texas Avenue	Bryan	77803
CS Utilities Meeting and Training Facility	1603 Gramh Road	College Station	77845
Galilee Baptist Church	804 N. Logan Avenue	Bryan	77803
Memorial Student Center (MSC) Texas A&M Campus, Room 526	275 Joe Routt Boulevard	College Station	77843

**EARLY VOTING DATES AND TIMES  
(FECHAS Y HORARIOS DE VOTACIÓN ANTICIPADA)**

October 19 – 23, 2015 19 al 23 de octubre de 2015	Monday – Friday (Lunes – Viernes)	8:00 a.m. a 5:00 p.m.
October 26 – 28, 2015 26 al 28 de octubre de 2015	Monday – Wednesday (Lunes – Miércoles)	8:00 a.m. a 5:00 p.m.
October 29 – 30, 2015 29 al 30 de octubre de 2015	Thursday – Friday (Jueves – Viernes)	8:00 a.m. a 5:00 p.m.

**EXHIBIT "B"**  
*ANEXO "B"*

**POLLING LOCATIONS  
(LUGARES DE VOTACIÓN)**

<b>Name of Facility Nombre de la instalación</b>	<b>Physical Address Dirección física</b>	<b>City Ciudad</b>	<b>Zip Code Código postal</b>
Aldersgate Methodist Church	2201 Earl Rudder Freeway	College Station	77845
Arena Hall	2906 Tabor Road Tabor Road & N. Earl Rudder Freeway	Bryan	77803
Beacon Baptist Church	2001 East Villa Maria Road	Bryan	77802
Brazos County Administration Building	200 South Texas Avenue	Bryan	77803
Castle Heights Baptist Church	4504 Highway 21 E	Bryan	77808
Christ United Methodist Church	4201 State Highway 6 South	College Station	77845
Church of Nazarene	212 E. William J Bryan Parkway	Bryan	77803
College Heights Assembly of God	4100 Old College Road	Bryan	77801
College Station City Hall	1101 Texas Avenue	College Station	77840
College Station ISD Administration Building	1812 Welsh Avenue	College Station	77840
Fellowship Freewill Baptist Church	1228 W. Villa Maria Road	Bryan	77801
First Baptist Church - Bryan	3100 Cambridge Drive	Bryan	77802
Galilee Baptist Church	804 N. Logan Avenue	Bryan	77803
GW Williams Tabernacle	1216 Eureka Street/Waco Street	Bryan	77803
Lincoln Center	1000 Eleanor Street	College Station	77840
Living Hope Baptist Church	4170 State Highway 6 South	College Station	77845

Memorial Student Center (MSC) Texas A&M Campus, Room 526	275 Joe Rouff Boulevard	College Station	77843
Millican Community Center	22284 Pierce Street	Millican	77868
Momentum Church	1216 Beck Street	Bryan	77803
Parkway Baptist Church	1501 Southwest Parkway	College Station	77840
Precinct 4 Volunteer Fire Station	6357 Raymond Stotzer Parkway	College Station	77845
Siegert Center - Smetana	1830 Smetana Road	Bryan	77807
St. Francis Episcopal Church	1101 Rock Prairie Road	College Station	77845
The Brazos Center	3232 Briarcrest Drive	Bryan	77802
Wellborn Community Center	4119 W. Greens Prairie Road	College Station	77845
Zion Church of Kurten	977 N. FM 2038	Kurten	77808

ORDEN PARA CONVOCAR UNA ELECCIÓN DE BONOS  
Y DE IMPUESTO DE MANTENIMIENTO

EN VISTA DE QUE Rock Prairie Management District No. 2, ubicado en el Condado de Brazos, Texas (el "Distrito"), fue creado debidamente hasta el presente por el Capítulo 1114 de las Leyes de la 83.<sup>a</sup> Legislatura de Texas, Sesión Ordinaria, de 2013, codificado como Capítulo 3909 del Código de Leyes Locales de Distritos Especiales de Texas (la "Ley"); y

EN VISTA DE QUE el Distrito yace completamente dentro de los límites corporativos de la Ciudad de College Station, Texas (la "Ciudad"), y la Ciudad, por medio de su Resolución No. 07-09-15-02, ha dado su consentimiento para la creación del Distrito; y

EN VISTA DE QUE los directores del Distrito han sido designados y se han reunido y organizado y reúnen los requisitos para desempeñar la función de directores del Distrito mediante declaración jurada, toma de protesta y con la fianza de garantía que exige la ley; y

EN VISTA DE QUE la Sección 3909.202 de la Ley dispone que el Distrito puede imponer un impuesto anual de operación y mantenimiento si así lo autoriza una mayoría de los votantes del Distrito que voten en una elección celebrada a tales efectos; y

EN VISTA DE QUE la Junta ha determinado que sería en beneficio del Distrito que la autorizaran a imponer y recaudar un impuesto para fines de operación y mantenimiento u otros fines ahora o en el futuro autorizados por la constitución y las leyes del Estado de Texas, incluidos fondos para planificación, construcción, adquisición, mantenimiento, reparación y operación de todos los terrenos, plantas, obras, instalaciones, mejoras, aparatos y equipos necesarios del Distrito y para pagar los costos de servicios adecuados, honorarios legales y de ingeniería y los gastos de organización y administrativos; y

EN VISTA DE QUE la Junta ha determinado que se debería celebrar una elección en la que se presente a los votantes debidamente habilitados del Distrito una proposición sobre la

<p>ESTE AVISO DEBE PERMANECER COLOCADO CONTINUAMENTE HASTA EL 4 DE NOVIEMBRE DE 2015.</p>
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imposición y recaudación de un impuesto anual de mantenimiento que no exceda un dólar (\$1.00) por cada \$100 de tasación de toda propiedad gravable dentro del Distrito; y

EN VISTA DE QUE el Distrito está autorizado por la Sección 3909.204 de la Ley a emitir bonos, pagarés u otras obligaciones del Distrito para pagar por cualquier fin autorizado del Distrito; y

EN VISTA DE QUE el Distrito está autorizado por el Capítulo 1207 del Código de Gobierno de Texas a emitir bonos de reembolso para reembolsar o refinanciar cualquier bono, pagaré u otras obligaciones del Distrito; y

EN VISTA DE QUE, antes de emitir bonos pagaderos total o parcialmente a partir de impuestos ad valorem, la Sección 3909.201(b) de la Ley autoriza y requiere a la Junta que convoque y celebre una elección; y

EN VISTA DE QUE, se ha presentado en la oficina del Distrito, disponible para inspección del público, un informe de ingeniería que abarca las obras, terrenos, mejoras, instalaciones, plantas, equipos, aparatos, programas y servicios que el Distrito ha de financiar, comprar, construir, adquirir, tener propiedad, operar, reparar, proporcionar o ampliar, y la propiedad, instalaciones administrativas, derechos contractuales, derechos de uso e intereses en la propiedad, y derechos regionales, reglamentarios o de participación de uso conjunto que el Distrito ha de financiar, comprar, adquirir o proporcionar (en conjunto, las "Mejoras"), además del costo estimado probable de todo lo anterior, junto con mapas, planos catastrales, perfiles y/o datos que muestran y explican el informe; y

EN VISTA DE QUE, dichas Mejoras tienen el objetivo de proporcionar un sistema de abastecimiento de agua, un sistema de alcantarillado sanitario y un sistema alcantarillado de drenaje y agua de tormentas, e instalaciones de caminos para el Distrito; y

EN VISTA DE QUE dicho informe de ingeniería incluye estimados de los costos probables de planificación, diseño, construcción, compra, adquisición e implementación de las Mejoras y adiciones a esto, y los gastos inherentes relacionados con las Mejoras y la emisión de bonos por el Distrito, como sigue:

ESTIMADO DE COSTOS PROBABLES  
(Sistemas de abastecimiento de agua, de alcantarillado sanitario  
y de alcantarillado de drenaje y agua de tormentas)

I.	<u>Costos estimados de diseño, construcción, compra y adquisición</u>	
	Instalaciones y servicios de abastecimiento y distribución de agua	\$6,247,670
	Instalaciones y servicios de recolección de alcantarillado sanitario, transporte, tratamiento y desecho	\$10,643,303
	Instalaciones y servicios de drenaje, retención de agua de tormentas y control de contaminación	\$12,386,286
	Terrenos, servidumbres y derechos de paso	\$1,809,900
	Contingencias	\$4,663,074
	Ingeniería	\$5,430,453
	Inflación	\$10,295,172
	Total de costos estimados de diseño, construcción, compra y adquisición	\$51,475,858
II.	<u>Gastos inherentes estimados</u>	
	Honorarios legales	\$2,142,000
	Honorarios del agente fiscal	\$1,428,000
	Interés del urbanizador	\$5,147,586
	Interés capitalizado	\$7,140,000
	Descuento de bonos	\$2,142,000
	Cargos y gastos administrativos, de organización y de emisión	\$594,656
	Costos de operación	\$480,000
	Cargo de TCEQ por los ingresos de bonos	\$178,500
	Costos del informe de solicitud de bonos	\$600,000
	Honorarios de revisión del procurador general	\$71,400
	Total de gastos inherentes estimados	\$19,924,142
	<b>Requisito total estimado de emisión de bonos</b>	<b>\$71,400,000</b>

ESTIMADO DE COSTOS PROBABLES  
(Instalaciones de caminos)

I.	<u>Costos estimados de diseño, construcción, compra y adquisición</u>	
	Instalaciones de caminos	\$45,732,666
	Terrenos, servidumbres y derechos de paso	\$1,050,000
	Contingencias	\$7,017,400
	Ingeniería	\$8,440,010
	Inflación	\$15,560,019
	Total de costos estimados de diseño, construcción, compra y adquisición	\$77,800,095
II.	<u>Gastos inherentes estimados</u>	
	Honorarios legales	\$3,198,000
	Honorarios del agente fiscal	\$2,132,000
	Interés del urbanizador	\$7,780,009
	Interés capitalizado	\$10,660,000
	Descuento de bonos	\$3,198,000
	Cargos y gastos administrativos y de emisión	\$1,725,296
	Honorarios de revisión del procurador general	\$106,600
	Total de gastos inherentes estimados	\$28,799,905
	<b>Requisito total estimado de emisión de bonos</b>	<b>\$106,600,000</b>

EN VISTA DE QUE los costos anteriores son sólo estimados y las Mejoras y los costos de éstas pueden cambiar en base a los requisitos reales conforme evolucione el desarrollo del Distrito; y

EN VISTA DE QUE la Junta Directiva del Distrito (la "Junta") por la presente halla que dichos totales estimados de \$71,400,000 para un sistema de abastecimiento de agua, un sistema de alcantarillado sanitario y un sistema de alcantarillado de drenaje y agua de tormenta y de \$106,600,000 para instalaciones de caminos son razonables y adecuados, y serán suficientes para

los costos totales a fin de proporcionar tales Mejoras y adiciones a ellas, y los gastos inherentes relacionados con las Mejoras y la emisión de bonos por el Distrito; y

EN VISTA DE QUE el Distrito está autorizado para comprar, construir, adquirir, tener propiedad, operar, dar mantenimiento, reparar, mejorar o ampliar dentro y fuera de sus límites territoriales todos y cada uno de los terrenos, mejoras, instalaciones, plantas, equipos y aparatos necesarios para lograr los objetivos de su creación, y para emitir sus bonos (incluso bonos de reembolso) para lograr dichos objetivos, salvo lo limitado por las leyes generales, especiales o locales correspondientes, o las reglas, reglamentos u ordenanzas de cualquier ciudad, condado o agencia con jurisdicción correspondiente; y

EN VISTA DE QUE, en conformidad con la ley correspondiente, dichos bonos se pueden emitir en una o en varias emisiones o series, con o sin cupones de interés, en cualquier denominación, con vencimiento en serie o de otra manera, pagaderos en cierto momento o momentos que no excedan los cuarenta (40) años a partir de su fecha o fechas, en cierta cantidad o cantidades o plazos, en cierto lugar o lugares, en cierta forma, bajo ciertos términos, condiciones y detalles, de cierta manera, reembolsables antes de su vencimiento en algún momento o momentos, sin devengar interés o devengando interés a alguna tasa o tasas (ya sean fijas, variables, flotantes, ajustables u otras), todo esto según lo determine la Junta; y

EN VISTA DE QUE para asegurar el desarrollo continuo y ordenado del Distrito en términos y condiciones que sean factibles y prácticos, el Distrito anticipa que dichos bonos se emitirán en series o emisiones múltiples en un período prolongado de tiempo, todo esto según lo determine la Junta de manera que sea factible y práctica y para el mayor beneficio del Distrito; y

EN VISTA DE QUE la Junta ha determinado convocar una elección a celebrarse el 3 de noviembre de 2015 en la cual se presentará a los votantes debidamente habilitados del Distrito una proposición sobre la emisión de los bonos del Distrito por la cantidad de capital original máxima total de \$71,400,000 y el pago del capital y el interés de tales bonos mediante la imposición y recaudación de impuestos, sin límite en cuanto a tasa o cantidad, sobre toda la propiedad gravable dentro del Distrito, para disponer para los costos de compra, construcción,

adquisición, pertenencia, operación, reparación, mejora o ampliación de un sistema de abastecimiento de agua, un sistema de alcantarillado sanitario y un sistema de alcantarillado de drenaje y agua de tormentas para el Distrito y las adiciones a tales sistemas y los gastos inherentes relacionados con dichos sistemas y la emisión de dichos bonos, todo tal como lo autorizan ahora o en el futuro la constitución y las leyes del Estado de Texas, incluso, entre otras, la Sección 59 del Artículo 16 de la Constitución de Texas; y

EN VISTA DE QUE la Junta ha determinado que en dicha elección que se celebrará el 3 de noviembre de 2015 también se presentará a los votantes debidamente habilitados del Distrito una proposición sobre la emisión de los bonos del Distrito por la cantidad de capital original máxima total de \$106,600,000 y el pago del capital y el interés de tales bonos mediante la imposición y recaudación de impuestos, sin límite en cuanto a tasa o cantidad, sobre toda la propiedad gravable dentro del Distrito, para disponer para los costos de compra, construcción, adquisición, pertenencia, operación, reparación, mejora o ampliación de instalaciones de caminos para el Distrito y las adiciones a tales instalaciones y los gastos inherentes relacionados con dichas instalaciones y la emisión de dichos bonos, todo tal como lo autorizan ahora o en el futuro la constitución y las leyes del Estado de Texas, incluso, entre otras, la Sección 52 del Artículo 3 de la Constitución de Texas; y

EN VISTA DE QUE la Junta ha determinado que en dicha elección que se celebrará el 3 de noviembre de 2015 también se presentará a los votantes debidamente habilitados del Distrito una proposición sobre la emisión de los bonos del Distrito por la cantidad de capital original máxima total de \$71,400,000 y el pago del capital y el interés de tales bonos de reembolso mediante la imposición y recaudación de impuestos, sin límite en cuanto a tasa o cantidad, sobre toda la propiedad gravable dentro del Distrito, con el fin de reembolsar todo o cualquier parte del capital o del interés sobre bonos del Distrito autorizados por la Sección 59 del Artículo 16 de la Constitución de Texas, sea que dichos bonos a ser reembolsados estén autorizados en virtud de la presente, en la misma fecha con la presente o en lo sucesivo, todo tal como lo autorice ahora o en el futuro la constitución y las leyes del Estado de Texas; y

EN VISTA DE QUE la Junta ha determinado que en dicha elección también se presentará a los votantes debidamente habilitados del Distrito una proposición sobre la emisión de los bonos del Distrito por la cantidad de capital original máxima total de \$106,600,000 y el pago del capital y el interés de tales bonos mediante la imposición y recaudación de impuestos, sin límite en cuanto a tasa o cantidad, sobre toda la propiedad gravable dentro del Distrito, con el fin de reembolsar todo o cualquier parte del capital o del interés sobre bonos del Distrito autorizados por la Sección 52 del Artículo 3 de la Constitución de Texas, sea que dichos bonos a ser reembolsados estén autorizados en virtud de la presente, en la misma fecha con la presente o en lo sucesivo, todo tal como lo autorice ahora o en el futuro la constitución y las leyes del Estado de Texas; y

EN VISTA DE QUE, conforme a las disposiciones pertinentes de la Ley, del Capítulo 375 del Código de Gobierno Autónomo de Texas y de la Sección 49.102 del Código de Agua de Texas, las elecciones mencionadas anteriormente pueden celebrarse el mismo día, a la misma hora y juntas, y la Junta puede convocar elecciones de ese tipo por medio de una única orden; y

EN VISTA DE QUE la Junta desea proceder con la convocación de dichas elecciones;

AHORA, POR LO TANTO, LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 ORDENA QUE:

Sección 1: Por la presente, los asuntos y hechos establecidos en el preámbulo de esta orden se hallan y declaran verdaderos y completos, y se incorporan a esta Orden.

Sección 2: Por la presente se aprueba el informe de ingeniería descrito en el preámbulo de esta Orden, incluidos los estimados totales de los costos probables, tal como se exponen en el preámbulo de esta Orden.

Sección 3: El día 3 de noviembre de 2015 (el "Día de Elección") se celebrarán elecciones especiales en las que se presentarán a los votantes debidamente habilitados del Distrito las siguientes proposiciones:

## PROPOSICIÓN I

¿SE DEBERÁ AUTORIZAR A LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 A TASAR, IMPONER Y RECAUDAR UN IMPUESTO ANUAL DE MANTENIMIENTO QUE NO EXCEDA \$1.00 POR CADA \$100 DE TASACIÓN DE TODA PROPIEDAD GRAVABLE DENTRO DE DICHO DISTRITO PARA ASEGURAR FONDOS PARA OPERACIÓN Y MANTENIMIENTO Y OTROS OBJETIVOS AUTORIZADOS, INCLUIDOS, ENTRE OTROS, FONDOS PARA PLANIFICACIÓN, CONSTRUCCIÓN, ADQUISICIÓN, MANTENIMIENTO, REPARACIÓN Y OPERACIÓN DE TODO TERRENO, PLANTAS, INSTALACIONES, MEJORAS, APARATOS Y EQUIPOS NECESARIOS DE DICHO DISTRITO, Y PARA EL PAGO DE LOS SERVICIOS ADECUADOS, HONORARIOS LEGALES Y DE INGENIERÍA, Y GASTOS ADMINISTRATIVOS Y DE ORGANIZACIÓN, TODO SEGÚN AUTORIZADO AHORA O EN EL FUTURO POR LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

## PROPOSICIÓN II

¿SE DEBERÁ AUTORIZAR A LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 A EMITIR LOS BONOS DE DICHO DISTRITO EN UNA O MÁS EMISIONES O SERIES POR UNA CANTIDAD DE CAPITAL ORIGINAL MÁXIMA TOTAL DE \$71,400,000, CON VENCIMIENTO EN SERIE O DE OTRA MANERA EN CIERTOS PLAZOS SEGÚN LOS DETERMINE DICHA JUNTA EN UN PERÍODO O PERÍODOS QUE NO EXCEDAN DE CUARENTA (40) AÑOS A PARTIR DE SU FECHA O FECHAS, DEVENGANDO INTERÉS A CIERTA TASA O TASAS, Y A VENDER DICHOS BONOS A CIERTO PRECIO O PRECIOS, SIEMPRE QUE LA TASA DE INTERÉS EFECTIVA NETA SOBRE CUALQUIER EMISIÓN O SERIE DE DICHOS BONOS NO EXCEDA EL LÍMITE LEGAL MÁXIMO VIGENTE AL MOMENTO DE LA EMISIÓN DE CADA EMISIÓN O SERIE DE DICHOS BONOS, TODO ESTO SEGÚN LO PUEDA DETERMINAR LA JUNTA DIRECTIVA DE DICHO DISTRITO, CON EL FIN O FINES DE COMPRAR, CONSTRUIR, ADQUIRIR, TENER PROPIEDAD, OPERAR, REPARAR, MEJORAR O AMPLIAR UN SISTEMA DE ABASTECIMIENTO DE AGUA, SISTEMA DE ALCANTARILLADO SANITARIO Y SISTEMA DE ALCANTARILLADO DE DRENAJE Y DE AGUA DE TORMENTA, INCLUSO, ENTRE OTRAS, TODAS LAS ADICIONES A TALES SISTEMAS Y TODOS LOS TERRENOS, MEJORAS, INSTALACIONES, PLANTAS, EQUIPOS, APARATOS, INTERESES EN PROPIEDADES Y DERECHOS REGIONALES, REGLAMENTARIOS O DE PARTICIPACIÓN DE USO CONJUNTO O DERECHOS CONTRACTUALES NECESARIOS PARA ESTO, Y LAS INSTALACIONES ADMINISTRATIVAS NECESARIAS EN RELACIÓN CON ESTO, Y PARA DISPONER PARA EL PAGO DEL CAPITAL E INTERÉS DE TALES BONOS MEDIANTE LA IMPOSICIÓN Y RECAUDACIÓN ANUAL DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, SOBRE TODA PROPIEDAD GRAVABLE DENTRO DE DICHO DISTRITO, TODO ESTO SEGÚN LO AUTORIZADO AHORA O EN EL FUTURO POR LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

### PROPOSICIÓN III

¿SE DEBERÁ AUTORIZAR A LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 A EMITIR LOS BONOS DE DICHO DISTRITO EN UNA O MÁS EMISIONES O SERIES POR UNA CANTIDAD DE CAPITAL ORIGINAL MÁXIMA TOTAL DE \$106,600,000, CON VENCIMIENTO EN SERIE O DE OTRA MANERA EN CIERTOS PLAZOS SEGÚN LOS DETERMINE DICHA JUNTA EN UN PERÍODO O PERÍODOS QUE NO EXCEDAN DE CUARENTA (40) AÑOS A PARTIR DE SU FECHA O FECHAS, DEVENGANDO INTERÉS A CIERTA TASA O TASAS, Y A VENDER DICHOS BONOS A CIERTO PRECIO O PRECIOS, SIEMPRE QUE LA TASA DE INTERÉS EFECTIVA NETA SOBRE CUALQUIER EMISIÓN O SERIE DE DICHOS BONOS NO EXCEDA EL LÍMITE LEGAL MÁXIMO VIGENTE AL MOMENTO DE LA EMISIÓN DE CADA EMISIÓN O SERIE DE DICHOS BONOS, TODO ESTO SEGÚN LO PUEDA DETERMINAR LA JUNTA DIRECTIVA DE DICHO DISTRITO, CON EL FIN O FINES DE COMPRAR, CONSTRUIR, ADQUIRIR, TENER PROPIEDAD, OPERAR, REPARAR, MEJORAR O AMPLIAR INSTALACIONES DE CAMINOS, INCLUSO, ENTRE OTRAS COSAS, PAISAJISMO, ILUMINACIÓN, LETREROS Y CARTELES, SEÑALIZACIÓN, EMBELLECIMIENTO, ACERAS Y PASOS PEATONALES Y TODAS LAS ADICIONES A TALES INSTALACIONES Y TODOS LOS TERRENOS, MEJORAS, INSTALACIONES, EQUIPOS, APARATOS, INTERESES EN PROPIEDADES Y DERECHOS CONTRACTUALES NECESARIOS PARA ESTO, Y LAS INSTALACIONES ADMINISTRATIVAS NECESARIAS EN RELACIÓN CON ESTO, Y PARA DISPONER PARA EL PAGO DEL CAPITAL E INTERÉS DE TALES BONOS MEDIANTE LA IMPOSICIÓN Y RECAUDACIÓN ANUAL DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, SOBRE TODA PROPIEDAD GRAVABLE DENTRO DE DICHO DISTRITO, TODO ESTO SEGÚN LO AUTORIZADO AHORA O EN EL FUTURO POR LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

### PROPOSICIÓN IV

¿SE DEBERÁ AUTORIZAR A LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 A EMITIR LOS BONOS DE DICHO DISTRITO EN UNA O MÁS EMISIONES O SERIES POR UNA CANTIDAD DE CAPITAL ORIGINAL MÁXIMA TOTAL DE \$71,400,000, CON VENCIMIENTO EN SERIE O DE OTRA MANERA EN CIERTOS PLAZOS SEGÚN LOS DETERMINE DICHA JUNTA EN UN PERÍODO O PERÍODOS QUE NO EXCEDAN DE CUARENTA (40) AÑOS A PARTIR DE SU FECHA O FECHAS, DEVENGANDO INTERÉS A CIERTA TASA O TASAS, Y A VENDER DICHOS BONOS A CIERTO PRECIO O PRECIOS, SIEMPRE QUE LA TASA DE INTERÉS EFECTIVA NETA SOBRE CUALQUIER EMISIÓN O SERIE DE DICHOS BONOS NO EXCEDA EL LÍMITE LEGAL MÁXIMO VIGENTE AL MOMENTO DE LA EMISIÓN DE CADA EMISIÓN O SERIE DE DICHOS BONOS, TODO ESTO SEGÚN LO PUEDA DETERMINAR LA JUNTA DIRECTIVA DE DICHO DISTRITO, CON EL FIN DE REEMBOLSAR POR ALGÚN MEDIO AUTORIZADO POR LEY AHORA O EN EL FUTURO, TODO O CUALQUIER PORCIÓN DE LOS BONOS O BONOS DE REEMBOLSO DEL DISTRITO AUTORIZADOS POR LA SECCIÓN 59 DEL ARTÍCULO 16 DE LA CONSTITUCIÓN DE TEXAS, PAGADEROS EN TOTALIDAD O EN PARTE CON

IMPUESTOS, YA SEAN EN VIRTUD DE LA PRESENTE, EN LA MISMA FECHA CON LA PRESENTE O EN LO SUCESIVO AUTORIZADOS O EMITIDOS POR EL DISTRITO, Y PARA DISPONER PARA EL PAGO DEL CAPITAL O DEL INTERÉS DE DICHOS BONOS DE REEMBOLSO MEDIANTE LA IMPOSICIÓN Y RECAUDACIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, SOBRE TODA PROPIEDAD GRAVABLE DENTRO DE DICHO DISTRITO, TODO COMO LO AUTORIZA AHORA O EN EL FUTURO LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

#### PROPOSICIÓN V

¿SE DEBERÁ AUTORIZAR A LA JUNTA DIRECTIVA DE ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 A EMITIR LOS BONOS DE DICHO DISTRITO EN UNA O MÁS EMISIONES O SERIES POR UNA CANTIDAD DE CAPITAL ORIGINAL MÁXIMA TOTAL DE \$106,600,000, CON VENCIMIENTO EN SERIE O DE OTRA MANERA EN CIERTOS PLAZOS SEGÚN LOS DETERMINE DICHA JUNTA EN UN PERÍODO O PERÍODOS QUE NO EXCEDAN DE CUARENTA (40) AÑOS A PARTIR DE SU FECHA O FECHAS, DEVENGANDO INTERÉS A CIERTA TASA O TASAS, Y A VENDER DICHOS BONOS A CIERTO PRECIO O PRECIOS, SIEMPRE QUE LA TASA DE INTERÉS EFECTIVA NETA SOBRE CUALQUIER EMISIÓN O SERIE DE DICHOS BONOS NO EXCEDA EL LÍMITE LEGAL MÁXIMO VIGENTE AL MOMENTO DE LA EMISIÓN DE CADA EMISIÓN O SERIE DE DICHOS BONOS, TODO ESTO SEGÚN LO PUEDA DETERMINAR LA JUNTA DIRECTIVA DE DICHO DISTRITO, CON EL FIN DE REEMBOLSAR POR ALGÚN MEDIO AUTORIZADO POR LEY AHORA O EN EL FUTURO, TODO O CUALQUIER PORCIÓN DE LOS BONOS O BONOS DE REEMBOLSO DEL DISTRITO AUTORIZADOS POR LA SECCIÓN 52 DEL ARTÍCULO 3 DE LA CONSTITUCIÓN DE TEXAS, PAGADEROS EN TOTALIDAD O EN PARTE CON IMPUESTOS, YA SEAN EN VIRTUD DE LA PRESENTE, EN LA MISMA FECHA CON LA PRESENTE O EN LO SUCESIVO AUTORIZADOS O EMITIDOS POR EL DISTRITO, Y PARA DISPONER PARA EL PAGO DEL CAPITAL O DEL INTERÉS DE DICHOS BONOS DE REEMBOLSO MEDIANTE LA IMPOSICIÓN Y RECAUDACIÓN DE UN IMPUESTO, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, SOBRE TODA PROPIEDAD GRAVABLE DENTRO DE DICHO DISTRITO, TODO COMO LO AUTORIZA AHORA O EN EL FUTURO LA CONSTITUCIÓN Y LAS LEYES DEL ESTADO DE TEXAS?

Sección 4: Según lo autorizan el Capítulo 31 y el Capítulo 271 del Código Electoral de Texas, las elecciones serán celebradas por el Condado de Brazos, Texas, en conformidad con el Convenio de Gobierno Interlocal (Elección Conjunta). Por la presente el Distrito designa a Karen McQueen, Administradora de Elecciones del Condado de Brazos, para desempeñar o supervisar todas y cada una de las funciones o responsabilidades relacionadas con la celebración

de las elecciones según se especifique en detalle en el Convenio de Gobierno Interlocal (Elección Conjunta).

Sección 5: Por la presente el Distrito adopta por número, como sus precintos a efectos de las elecciones, aquellos precintos electorales establecidos por el Condado de Brazos en conformidad con el Capítulo 42 del Código Electoral de Texas, en los que los votantes elegibles del Distrito pueden votar.

Sección 6: Por la presente el Distrito designa a Karen McQueen, Secretaria del Condado del Condado de Brazos, Texas, como Oficial de Votación Anticipada del Distrito para las elecciones. La votación anticipada en persona estará disponible para todos los votantes habilitados del Distrito y se llevará a cabo en los lugares y en los días y horarios establecidos por el Condado de Brazos en conformidad con el Convenio de Gobierno Interlocal (Elección Conjunta), como se indica en el Anexo "A" adjunto a la presente. Las solicitudes de boletas de votación para votar por correo de forma anticipada que realicen los votantes elegibles del Distrito deben dirigirse al Oficial de Votación Anticipada. La dirección postal oficial del Oficial de Votación Anticipada es Brazos County Clerk's Office, 300 East 26<sup>th</sup> Street, Suite 120, Bryan, Texas 77803.

Sección 7: Todo votante elegible del Distrito puede votar en persona el Día de Elección en los lugares de votación establecidos por el Condado de Brazos en conformidad con el Convenio de Gobierno Interlocal (Elección Conjunta), como se indica en el Anexo "B" adjunto a la presente. La votación en persona el Día de Elección se llevará a cabo en el horario de 7:00 a.m. a 7:00 p.m., salvo lo dispuesto en la Sección 41.032 del Código Electoral de Texas.

Sección 8: Por la presente se designa a Tara Johnson como agente electoral designado del Distrito (el "Agente Electoral") para llevar a cabo las funciones electorales requeridas en

conformidad con las disposiciones de la Sección 31.123 del Código Electoral de Texas y de la Sección 49.109 del Código de Agua de Texas. La duración de la designación de dicho Agente Electoral se extenderá desde el 18 de agosto de 2015 hasta que se designe a un sucesor, y el horario de oficina de dicho Agente Electoral será todos los días de 9:00 a.m. a 5:00 p.m., salvo sábados, domingos o feriados oficiales del Estado. Copias fieles y verdaderas de todos los documentos y materiales referentes a las elecciones deberán mantenerse archivados en la oficina del Agente Electoral en 1300 Post Oak Boulevard, Suite 1400, Houston, Condado de Harris, Texas 77056, disponibles para consulta por parte del público o cualquier persona interesada en ellos.

Sección 9: En conformidad con las Secciones 123.001 y 61.012 del Código Electoral de Texas, y sus enmiendas, por la presente el Distrito adopta, para usar en las elecciones, el Sistema de Votación eSlate de Hart InterCivic, Versión 4.2.13 para la votación o la votación anticipada en persona en los precintos electorales del Condado de Brazos, Texas, ya que éste ha sido certificado por el Secretario del Estado de Texas como un sistema de votación electrónico de grabación directa accesible. Además, en conformidad con las Secciones 123.006, 63.011 y 125.006 del Código Electoral de Texas, el Distrito autoriza el uso de boletas de votación de papel en la medida necesaria en relación con la votación por correo, para los votos provisionales, o en el caso de que una emergencia impida el uso de los mencionados sistemas electrónicos de votación de grabación directa.

Las boletas de votación deberán cumplir con los requisitos del Código Electoral de Texas y deberán prepararse y estar disponibles para los votantes en inglés y en español. Las boletas de votación tendrán básicamente la siguiente forma, sujeta a ciertas revisiones de formato y no

sustantivas tal como pudieran ser necesarias o requeridas por el Administrador de Elecciones del

Condado de Brazos:

NO. \_\_\_\_\_

BOND AND MAINTENANCE TAX ELECTION  
November 3, 2015

ELECCIÓN DE BONOS  
Y DE IMPUESTO DE MANTENIMIENTO  
3 de noviembre de 2015

ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2

OFFICIAL BALLOT  
BOLETA OFICIAL DE VOTACIÓN

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INSTRUCTION NOTE: Place an "X" in the square beside the statement indicating the way you wish to vote.

INSTRUCCIONES: Coloque una "X" en la casilla junto a la declaración que indica la forma en que desea votar.

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PROPOSITION I  
PROPOSICIÓN I

- |                          |                      |   |
|--------------------------|----------------------|---|
| <input type="checkbox"/> | FOR<br>A FAVOR       | MAINTENANCE TAX NOT TO EXCEED \$1.00 PER \$100 OF<br>ASSESSED VALUATION         |
| <input type="checkbox"/> | AGAINST<br>EN CONTRA | IMPUESTO DE MANTENIMIENTO QUE NO EXCEDA DE<br>\$1.00 POR CADA \$100 DE TASACIÓN |

PROPOSITION II  
PROPOSICIÓN II

- |                          |                      |  |
|--------------------------|----------------------|--|
| <input type="checkbox"/> | FOR<br>A FAVOR       | THE ISSUANCE OF \$71,400,000 WATER, SANITARY<br>SEWER AND DRAINAGE FACILITIES BONDS AND THE<br>LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR<br>AMOUNT, IN PAYMENT OF THE BONDS                                   |
| <input type="checkbox"/> | AGAINST<br>EN CONTRA | LA EMISIÓN DE \$71,400,000 EN BONOS PARA<br>INSTALACIONES DE AGUA, ALCANTARILLADO<br>SANITARIO Y DRENAJE Y LA IMPOSICIÓN DE<br>IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O<br>CANTIDAD, PARA EL PAGO DE LOS BONOS |

PROPOSITION III  
PROPOSICIÓN III

- FOR  
A FAVOR
- AGAINST  
EN CONTRA
- THE ISSUANCE OF \$106,600,000 ROAD FACILITIES BONDS AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS  
LA EMISIÓN DE \$106,600,000 EN BONOS PARA INSTALACIONES DE CAMINOS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS

PROPOSITION IV  
PROPOSICIÓN IV

- FOR  
A FAVOR
- AGAINST  
EN CONTRA
- THE ISSUANCE OF \$71,400,000 REFUNDING BONDS TO REFUND BONDS AUTHORIZED BY ARTICLE 16, SECTION 59 OF THE TEXAS CONSTITUTION AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS  
LA EMISIÓN DE \$71,400,000 EN BONOS PARA REEMBOLSAR BONOS AUTORIZADOS POR EL ARTÍCULO 16, SECCIÓN 59 DE LA CONSTITUCIÓN DE TEXAS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS

PROPOSITION V  
PROPOSICIÓN V

- FOR  
A FAVOR
- AGAINST  
EN CONTRA
- THE ISSUANCE OF \$106,600,000 REFUNDING BONDS TO REFUND BONDS AUTHORIZED BY ARTICLE 3, SECTION 52 OF THE TEXAS CONSTITUTION AND THE LEVY OF TAXES, WITHOUT LIMIT AS TO RATE OR AMOUNT, IN PAYMENT OF THE BONDS  
LA EMISIÓN DE \$106,600,000 EN BONOS PARA REEMBOLSAR BONOS AUTORIZADOS POR EL ARTÍCULO 3, SECCIÓN 52 DE LA CONSTITUCIÓN DE TEXAS Y LA IMPOSICIÓN DE IMPUESTOS, SIN LÍMITE EN CUANTO A LA TASA O CANTIDAD, PARA EL PAGO DE LOS BONOS

Sección 10: Se aplicarán las siguientes disposiciones relativas al aviso de las elecciones, salvo en la medida en que el Convenio de Gobierno Interlocal (Elección Conjunta) especifique que el Condado de Brazos deberá proporcionar tal aviso. Esta Orden constituirá la orden para convocar las elecciones y constituirá también, sujeto a la oración anterior, el aviso de las elecciones. Por la presente se autoriza e instruye al Agente Electoral a que dé aviso de las elecciones colocando copias de esta Orden en (i) los lugares públicos utilizados para colocar los avisos de asambleas del Distrito, incluido, entre otros, el lugar público dentro del Distrito designado por la Junta para la colocación de los avisos de asambleas del Distrito, (ii) en otros dos lugares públicos dentro de los límites del Distrito, y (iii) en cualquier otro lugar que pudiera ser requerido para colocar una copia dentro del precinto electoral correspondiente dentro del Distrito o para el Distrito. Dichas colocaciones deben hacerse a más tardar veintiún (21) días previos al Día de Elección (a menos que dicho día sea sábado, domingo o feriado oficial del estado, en cuyo caso se colocará el siguiente día hábil). Asimismo, por la presente se autoriza e instruye al Agente Electoral a hacer que se coloque esta Orden en un lugar destacado en cada lugar de votación el Día de Elección y durante la votación anticipada en persona. En todas tales instancias, las copias de esta Orden deberán publicarse en inglés y en español.

Sección 11: (a) Las elecciones se celebrarán y realizarán, y se dará el dictamen de los resultados a esta Junta en conformidad con la constitución y las leyes del Estado de Texas, incluidas, a título enunciativo pero no limitativo, las disposiciones pertinentes de la Ley, del Código Electoral de Texas y del Código de Agua de Texas y según lo dispuesto en el Convenio de Gobierno Interlocal (Elección Conjunta).

(b) En cuanto a los bonos que se han de autorizar en las elecciones, las siguientes declaraciones se realizan solamente para cumplir con los requisitos de la Sección 3.009(b) del Código Electoral de Texas:

- (1) El lenguaje de la proposición que aparecerá en la boleta de votación se expone en la Sección 9 de la presente.

- (2) Los fines para los cuales se han de autorizar los bonos se describen, respectivamente, en las Proposiciones II a V bajo la Sección 3 de la presente.
- (3) Las cantidades de capital original máximas totales de los bonos que se han de autorizar se describen, respectivamente, en las Proposiciones II a V bajo la Sección 3 de la presente.
- (4) De autorizarse la emisión de los bonos descritos en las Proposiciones II a V bajo la Sección 3 de la presente, se autorizará a la Junta a emitir tales bonos y a imponer un impuesto suficiente, sin límite en cuanto a tasa o cantidad, sobre toda la propiedad gravable dentro del Distrito para disponer para el pago del capital y el interés de dichos bonos.
- (5) De autorizarse la emisión de los bonos descritos en las Proposiciones II a V bajo la Sección 3 de la presente, se estima que, en base a las condiciones del mercado a la fecha de la presente, el Distrito tasarán, impondrán y recaudarán un impuesto total anual del servicio de la deuda de \$1.00 sobre cada \$100 de tasación de toda la propiedad gravable dentro del Distrito para disponer para el pago del capital y el interés de dichos bonos.

Tal como se ha utilizado anteriormente, el término "condiciones del mercado" tiene en cuenta varios factores que no están sujetos al control razonable del Distrito, incluidos, a modo de ejemplificación y sin limitarse a ellos, las necesidades de mejora de infraestructura del Distrito y los costos de tales mejoras, el desarrollo de propiedad dentro del Distrito, la tasación de propiedad gravable dentro del Distrito, las condiciones demográficas y del mercado habitacional prevalecientes que afecten al Distrito, las condiciones económicas prevalecientes que afecten al Distrito, las condiciones del mercado que afecten la venta de dichos bonos y las normas de viabilidad económica de la Comisión promulgadas bajo la Sección 293.59 del Título 30 del Código de Administración de Texas. Por consiguiente, el Distrito no puede ni realiza ninguna declaración, garantía ni

proporciona ningún aval por la presente de que tales condiciones del mercado permanecerán sin modificaciones luego de la fecha de la presente o existirán a la fecha de la emisión real de cualquiera de dichos bonos.

La estimación realizada en el primer párrafo de esta subsección (b)(5) se proporciona solamente a fines ilustrativos en respuesta a la Sección 3.009(b)(5) del Código Electoral de Texas. Dicha estimación no forma parte de ninguna de las Proposiciones a ser presentadas a los votantes y no se debe interpretar a fin de limitar, enmendar o modificar de cualquier otro modo el lenguaje expreso de las Proposiciones II a V bajo la Sección 3 de la presente, ni para crear un contrato con los votantes en relación con los términos a partir de los cuales los bonos a autorizarse en virtud de la presente pueden ser emitidos o la tasa del impuesto que puede aplicarse para pagar tales bonos. De autorizarse la emisión de los bonos descritos en las Proposiciones II a V bajo la Sección 3 de la presente, la Junta determinará el cronograma para la emisión de dichos bonos, los términos bajo los cuales dichos bonos se emitirán y la tasa del impuesto del servicio de la deuda aplicada para disponer para el pago del capital y el interés de dichos bonos, conforme a dichas Proposiciones y tal como lo autoricen ahora o en el futuro la constitución y las leyes del Estado de Texas. Por consiguiente, el Distrito no puede ni realiza ninguna declaración, garantía ni proporciona ningún aval en cuanto a una tasa particular del impuesto del servicio de la deuda que se aplicará para disponer para el pago del capital y el interés sobre cualesquiera de dichos bonos.

- (6) La fecha máxima de vencimiento de cualquier emisión de los bonos que se han de autorizar se describe, respectivamente, en las Proposiciones II a V bajo la Sección 3 de la presente.
- (7) La cantidad total del capital pendiente de instrumentos financieros públicos del Distrito, conforme lo define la Sección 1201.002 del Código de Gobierno de

Texas, era de \$-0- al 1 de junio de 2015, el comienzo del año fiscal actual del Distrito.

- (8) La cantidad total del interés pendiente de instrumentos financieros públicos del Distrito era de \$-0- al 1 de junio de 2015, el comienzo del año fiscal actual del Distrito.
- (9) A la fecha de la presente, la tasa de impuesto ad valorem del servicio de la deuda del Distrito es \$-0- por cada \$100 de tasación de propiedad gravable.

Sección 12: La Junta oficialmente halla, determina y declara que esta Orden fue revisada, considerada y adoptada en una asamblea de la Junta que comenzó a las 3:00 p.m., hora de Houston, Texas el 18 de agosto de 2015, y que se colocó un aviso escrito suficiente de la fecha, el horario, el lugar y el asunto de esta asamblea en la oficina administrativa del Distrito y en un lugar de fácil acceso y conveniente para el público dentro del Distrito y que fue entregado oportunamente al Secretario del Condado del Condado de Brazos, Texas, para su colocación en un tablero de anuncios ubicado en un lugar conveniente para el público en el Tribunal del Condado de Brazos por el período prescrito por ley precedente a esta asamblea, como lo requiere la Ley de Asambleas Públicas, Capítulo 551 del Código de Gobierno de Texas y la Sección 49.063 del Código de Agua de Texas, y que esta asamblea ha estado abierta al público, como lo exige la ley, en todo momento durante el cual se ha debatido, considerado y actuado en relación con esta Orden y el asunto de la misma. La Junta además ratifica, aprueba y confirma dicho aviso escrito y su contenido y colocación.

Sección 13: Por la presente la Junta se reserva el derecho de modificar o complementar esta Orden según sea necesario y adecuado. La Junta se reserva además el derecho de cancelar las elecciones o remover una o más de las Proposiciones antedichas de la boleta de votación de acuerdo con la Sección 49.112 del Código de Agua de Texas.

Sección 14: Por la presente, se aprueba la forma del Convenio de Gobierno Interlocal (Elección Conjunta). Por la presente, se autoriza al Presidente o Vicepresidente y al Secretario o

Secretario Asistente de la Junta a firmar el Convenio de Gobierno Interlocal (Elección Conjunta) en nombre del Distrito.

Sección 15: A menos que sea dispuesto expresamente de otra manera, toda referencia hecha en la presente a la Constitución del Estado de Texas, a la Ley, al Código Electoral de Texas, al Código de Gobierno Autónomo de Texas, al Código de Agua de Texas, o a cualquier otra ley general o especial del Estado de Texas, significa y se refiere a la constitución o tales leyes como han sido enmendadas y como están vigentes a la fecha en que esta Orden se acepta y adopta.

Sección 16: Por la presente, se autoriza e instruye al Presidente o Vicepresidente y al Secretario o Secretario Asistente de la Junta y al Agente Electoral a tomar cualquier medida necesaria para implementar las disposiciones de esta Orden.

*[Continúa la página de firmas]*

ACEPTADA Y ADOPTADA el 18 de agosto de 2015.

ATESTIGUA:

\_\_\_\_\_  
Presidente de la Junta Directiva

\_\_\_\_\_  
Secretario de la Junta Directiva

(SELLO)

**EXHIBIT "A"**  
*ANEXO "A"*

**EARLY VOTING LOCATIONS  
(LUGARES DE VOTACIÓN ANTICIPADA)**

<b>Name of Facility Nombre de la instalación</b>	<b>Physical Address Dirección física</b>	<b>City Ciudad</b>	<b>Zip Code Código postal</b>
Arena Hall	2906 Tabor Road Tabor Road & N. Earl Rudder Freeway	Bryan	77803
Brazos County Administration Building	200 South Texas Avenue	Bryan	77803
CS Utilities Meeting and Training Facility	1603 Gramm Road	College Station	77845
Galilee Baptist Church	804 N. Logan Avenue	Bryan	77803
Memorial Student Center (MSC) Texas A&M Campus, Room 526	275 Joe Routh Boulevard	College Station	77843

**EARLY VOTING DATES AND TIMES  
(FECHAS Y HORARIOS DE VOTACIÓN ANTICIPADA)**

October 19 – 23, 2015 19 al 23 de octubre de 2015	Monday – Friday (Lunes – Viernes)	8:00 a.m. a 5:00 p.m.
October 26 – 28, 2015 26 al 28 de octubre de 2015	Monday – Wednesday (Lunes – Miércoles)	8:00 a.m. a 5:00 p.m.
October 29 – 30, 2015 29 al 30 de octubre de 2015	Thursday – Friday (Jueves – Viernes)	8:00 a.m. a 5:00 p.m.

**EXHIBIT "B"**  
*ANEXO "B"*

**POLLING LOCATIONS  
(LUGARES DE VOTACIÓN)**

<b>Name of Facility Nombre de la instalación</b>	<b>Physical Address Dirección física</b>	<b>City Ciudad</b>	<b>Zip Code Código postal</b>
Aldersgate Methodist Church	2201 Earl Rudder Freeway	College Station	77845
Arena Hall	2906 Tabor Road Tabor Road & N. Earl Rudder Freeway	Bryan	77803
Beacon Baptist Church	2001 East Villa Maria Road	Bryan	77802
Brazos County Administration Building	200 South Texas Avenue	Bryan	77803
Castle Heights Baptist Church	4504 Highway 21 E	Bryan	77808
Christ United Methodist Church	4201 State Highway 6 South	College Station	77845
Church of Nazarene	212 E. William J Bryan Parkway	Bryan	77803
College Heights Assembly of God	4100 Old College Road	Bryan	77801
College Station City Hall	1101 Texas Avenue	College Station	77840
College Station ISD Administration Building	1812 Welsh Avenue	College Station	77840
Fellowship Freewill Baptist Church	1228 W. Villa Maria Road	Bryan	77801
First Baptist Church - Bryan	3100 Cambridge Drive	Bryan	77802
Galilee Baptist Church	804 N. Logan Avenue	Bryan	77803
GW Williams Tabernacle	1216 Eureka Street/Waco Street	Bryan	77803
Lincoln Center	1000 Eleanor Street	College Station	77840
Living Hope Baptist Church	4170 State Highway 6 South	College Station	77845

Memorial Student Center (MSC) Texas A&M Campus, Room 526	275 Joe Rouff Boulevard	College Station	77843
Millican Community Center	22284 Pierce Street	Millican	77868
Momentum Church	1216 Beck Street	Bryan	77803
Parkway Baptist Church	1501 Southwest Parkway	College Station	77840
Precinct 4 Volunteer Fire Station	6357 Raymond Stotzer Parkway	College Station	77845
Siegert Center - Smetana	1830 Smetana Road	Bryan	77807
St. Francis Episcopal Church	1101 Rock Prairie Road	College Station	77845
The Brazos Center	3232 Briarcrest Drive	Bryan	77802
Wellborn Community Center	4119 W. Greens Prairie Road	College Station	77845
Zion Church of Kurten	977 N. FM 2038	Kurten	77808

# **EXHIBIT M**

ORDER ADOPTING A CODE OF ETHICS, EXPENSE POLICY, POLICY RELATING TO CONSULTING SERVICES, UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS, POLICY RELATING TO ADOPTION OF ANNUAL OPERATING BUDGET, AND CREATING AN AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

WHEREAS, ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 (the "District") is a body politic and corporate and a governmental agency of the State of Texas, created by an Act of the 83<sup>rd</sup> Texas Legislature (codified in Chapter 3909, Texas Special District Local Laws Code), enacted pursuant to the provisions of Sections 52 and 52-a of Article III and Section 59, Article XVI of the Texas Constitution (such being hereafter referred to as the "Act"); and

WHEREAS, the Act provides that Chapter 375, Texas Local Government Code, as amended (the "Code"), is generally applicable to the District, except where the provisions of the Code are in conflict with the Act; and

WHEREAS, pursuant to Section 375.096(c) of the Code, as amended, the Board of Directors of the District may adopt and enforce reasonable rules and regulations governing the administration of the District;

WHEREAS, pursuant to such authority, the Board of Directors of the District desires to formulate and adopt certain rules, regulations and policies concerning: (i) a code of ethics for the District's directors, officers, investment officers and employees, (ii) travel expenditures payable or reimbursable by the District, and (iii) the selection, monitoring or review and evaluation of professional consultants; and

WHEREAS, Section 375.096(a)(6) of the Code requires the Board of Directors of the District to have an audit of the District's affairs prepared annually by an independent public accountant or firm thereof, and the Board of Directors of the District desires formulate and adopt certain rules, regulations and policies concerning the establishment of uniform methods of accounting and reporting applicable to the District's system of accounts; and

WHEREAS, the Board of Directors of the District desires to adopt the code, policies, procedures and provisions set forth herein;

NOW, THEREFORE, IT IS ORDERED BY THE BOARD OF DIRECTORS OF ROCK PRAIRIE MANAGEMENT DISTRICT NO. 2 THAT the code, policies, procedures and provisions set forth herein be and are hereby ADOPTED.

ARTICLE I  
CODE OF ETHICS

Section 1.01. It is hereby declared the policy of the District that its Board of Directors, officers, investment officers and employees shall conduct themselves so as to give no occasion for distrust of their integrity, impartiality or of their devotion to the best interests of the District and the public purposes for which it was created. Accordingly, the following standards of conduct are hereby established to provide a guideline to the directors, officers, investment officers and employees of the District in the conduct of normal business and operations of the District:

A. Conflicts of Interest: The District adopts Chapter 171, Texas Local Government Code, as its conflicts of interest policy, the principal provisions of which are as follows:

1) A Director shall abstain from participating in a decision of the Board of Directors which either (a) will have a special economic effect on a business in which the Director or a person related to the Director in the first degree by consanguinity or affinity has a substantial interest that is distinguishable from the effect on the public; or (b) in the case of substantial interest in real property, affects the value of such property in which the Director or a person related to the Director in the first degree by consanguinity or affinity has a substantial interest differently from how it affects the public, except when a majority of the Board of Directors is required to abstain from participation in a particular vote because of a similar conflict of interest. A Director who determines that he or she must abstain from participating in a decision of the Board of Directors for a reason set forth above must file an affidavit with the Secretary of the Board of Directors, prior to a vote or decision by the Board of Directors on the matter, stating the nature and extent of the Directors' interest in the matter.

2) For the purposes of this conflicts of interest policy, a Director is considered to have a "substantial interest" in a business if (a) the Director or a person related to the Director in the first degree by consanguinity or affinity owns ten percent (10%) or more of the voting stock or shares of the business entity or owns either ten percent (10%) or more or \$5,000 or more of the fair market value of the business entity; or (b) funds received from the business exceed ten percent (10%) of the gross income of the Director or of a person related to the Director in the first degree by consanguinity or affinity for the previous year. A Director has a substantial interest in real property if the interest of the Director or of a person related to the Director in the first degree by consanguinity or affinity is an equitable or legal ownership with a market value of \$2,500 or more.

B. Gifts: No public servant (as such term is defined by Chapter 1, Texas Penal Code) of the District shall directly or indirectly solicit, accept, agree to accept, or receive any gift or thing of value, whether in the form of money, services, credits, loans,

travel, entertainment, hospitality, promise or any other form, from an individual or entity (or agent thereof) interested in or likely to become interested in any contract, purchase, payment, claim or transaction involving the exercise of his or her discretion, or under other circumstances where a reasonable inference could be drawn that the gift or thing of value was intended to influence such public servant of the District in the performance of his or her official duties or was intended as a reward for any decision, opinion, recommendation or other exercise of discretion on his or her part. Nothing herein shall be deemed or construed to prohibit normal social practices where gifts among friends or associates are appropriate for certain occasions or are otherwise allowed by law. Specifically, a public servant of the District may accept a gift or thing of value from a person, firm, corporation or other entity (or agent thereof) having or proposing to have a business or financial relationship with the District only when the offer and the acceptance and receipt of such gift or thing of value:

- 1) Are in keeping with good business ethics;
- 2) Are customary and proper under the circumstances and give no appearance of impropriety;
- 3) Do not impose any sense of obligation on the recipient to the donor;
- 4) Do not result in any form of special or favored treatment for the donor;
- 5) Cannot reasonably be viewed as extravagant, excessive or too frequent considering all the circumstances;
- 6) Do not involve any cash, currency, gift certificates, gift cards, loans or credit arrangements of any kind, or a negotiable instrument as described by § 3.104 Texas Business & Commerce Code;
- 7) Do not involve any item of property with a fair market value greater than \$49.00;
- 8) Do not involve materials, services, repairs or improvements at no cost or at unreasonably low prices;
- 9) If involving dining, lodging, transportation and/or entertainment, then:
  - (a) The dining, lodging, transportation and/or entertainment is accepted as a guest of the individual or entity providing same (*i.e.*, they must be present); or
  - (b) The dining, lodging and/or transportation is provided in connection with a conference or similar event at which the

Local Government Officer (as such term is defined in paragraph H. below) of the District renders services, such as addressing an audience or engaging in a seminar, to the extent those services are more than merely perfunctory;

10) Are made under circumstances where no effort is made to conceal the facts and circumstances related thereto by either the recipient or the donor; and

11) Are properly disclosed in a Conflicts Disclosure Statement as and if required by Chapter 176, Texas Local Government Code (see paragraph H. below).

C. Investments: Except under circumstances permitted by the general or special laws of the State and the rules, regulations and policies of the District, no director, officer, investment officer or employee of the District shall own an interest in or derive compensation or profit from or engage in the management of any organization providing services, materials or equipment to the District, except when such interest is comprised solely of securities traded over the counter or listed on a public security exchange, or except when such interest has been fully disclosed to the Board of Directors in the manner required by law.

D. Confidential Information: No director, officer, investment officer or employee of the District shall disclose confidential information concerning the property, operations, policies or affairs of the District, or use such confidential information to advance the personal interests, financial or otherwise, of such director, officer, investment officer or employee, or accept employment or engage in any business or professional activity which such director, officer, investment officer or employee might reasonably expect would require or induce him or her to disclose confidential information acquired through or by reason of his or her position with the District.

E. Private Employment: No director, officer, investment officer or employee of the District shall negotiate for or accept future employment with any person, firm, association or corporation which has a substantial financial interest in any proposed award of contract or decision within the area of responsibility of such director, officer, investment officer or employee and upon which he or she must act or make a recommendation.

F. Appearance of Proper Conduct: Each director, officer, investment officer or employee of the District shall conduct his or her official and personal affairs in such a manner as to clearly demonstrate that he or she cannot be improperly influenced in the performance of his or her official duties, and to such ends, no director, officer, investment officer or employee of the District shall endorse commercial products or services by permitting the use of pictures, endorsements or quotations in advertisements utilizing or making reference to the properties, operations or affairs of the District.

G. Investment Officer: An investment officer of the District who has a personal business relationship with an entity seeking to sell an investment to the District shall file a written statement disclosing that personal business interest. An investment officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the District must file a statement disclosing such relationship. Any statement required to be filed by an investment officer of the District under this subsection must be filed with the Board of Directors of the District and the Texas Ethics Commission.

H. Conflicts Disclosure Statement: In the event the District has contracted or is considering doing business with a Vendor and (i) the Vendor has an employment or other business relationship with a Local Government Officer or his/her Family Member that results in the Local Government Officer or his/her Family Member receiving taxable income, other than investment income, that exceeds \$2,500 in the 12-month period preceding the date the Local Government Officer becomes aware that the District has executed a contract or is considering doing business with the Vendor, (ii) the Vendor has given a Local Government Officer or his/her Family Member one or more gifts (other than gifts of food accepted as a guest or benefits offered on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient) that have an aggregate value of more than \$100 in the 12-month period preceding the date the Local Government Officer becomes aware that the District has executed a contract or is considering doing business with the Vendor, or (iii) the Vendor has a Family Relationship with a Local Government Officer, and such relationship(s) and/or activities are not otherwise prohibited by the provisions of Chapter 171, Texas Local Government Code or this ethics policy, the Local Government Officer must file a conflicts disclosure statement with the person responsible for maintaining the records of the District, no later than 5:00 p.m. on the seventh (7<sup>th</sup>) business day after the date the Local Government Officer becomes aware of facts that require the filing of the conflicts disclosure statement, disclosing, as applicable, (i) the employment or other business relationship, including the nature and extent of the relationship, and acknowledging that the disclosure applies to each Family Member of the Local Government Officer and covers the preceding 12-month period as described herein, (ii) the gift(s) aggregating more than \$100 in value received by the Local Government Officer or his/her Family Member from the Vendor during the preceding 12-month period as described herein, and acknowledging that the disclosure applies to each Family Member of the Local Government Officer and covers the preceding 12-month period as described herein, and/or (iii) the Family Relationship between the Vendor and the Local Government Officer. The conflicts disclosure statement shall contain the signature of the Local Government Officer acknowledging that such statement is made under oath under penalty of perjury, all in accordance with Chapter 176, Texas Local Government Code. For the purposes of this subsection, a person is considered a "Vendor" if the person contracts or seeks to contract for the sale or purchase of property, goods, or services with the District or is the agent of such a person in their business with the District. A state, political subdivision of a state, state agency (except the Texas Correctional Industries), administrative agency, the federal government, or a foreign government (including their employees acting in their official capacity) cannot be a "Vendor." For the purposes of

this subsection, "Local Government Officer" means (i) a director of the District, (ii) a person designated as the executive officer of the District, and/or (iii) an agent (as such term is defined by Chapter 176, Texas Local Government Code) of the District who exercises discretion in the planning, recommending, selecting, or contracting of a Vendor. For the purposes of this subsection, "Family Member" means a person related to another person within the first degree of consanguinity or affinity, as described by Chapter 573, Texas Government Code. For the purposes of this subsection, "Family Relationship" means a relationship between a person and another person within the third degree of consanguinity or the second degree of affinity, as described by Chapter 573, Texas Government Code.

## ARTICLE II EXPENSE POLICY

Section 2.01. It is hereby declared the policy of the District that payment or reimbursement shall be made by the District of all reasonable, actual expenses incurred by or on behalf of the directors, officers, investment officers, and employees of the District for travel expenditures incurred while conducting official duties and assignments and carrying out the District's operations and business activities, including, without limitation, attendance at conventions, conferences, training and trade programs, hearings and meetings related thereto and similar activities; provided, however, that attendance at such conventions, conferences, training and trade programs, hearings and meetings related thereto and similar activities must have been approved and authorized by the Board of Directors and further provided that all such expenditures shall be subject to review and approval by the Board of Directors. For purposes of this policy, travel expenditures shall mean and include all reasonable and actual costs of meals, lodging, transportation and related general expenses, such as registration costs, materials costs, normal gratuities and related expenses and costs. The District shall not pay or reimburse any expenses of persons who have no responsibility or duties to perform for the Board of Directors or the District, including any persons whose connection with District matters is based solely on their relationship of blood, marriage or friendship with a director, officer, investment officer or employee of the District. To receive reimbursement for expenses, a director must also submit an itemized expense report within sixty (60) days following the date the expenses were incurred which shall be accompanied by receipts, memoranda or similar documentation as to the amount and business purpose of such expenses; provided, however, that any expense incurred on behalf of and to be reimbursed by the District in excess of \$25.00, and all costs and expenses of lodging and airline travel, regardless of amount, shall be accompanied by detailed, line item invoices, receipts or comparable documentation. Items on such itemized expense report shall include lodging, meals, tips, parking and transportation. Directors sharing expense items may split reported expenses in any manner they deem equitable, but the District will pay no more than 100% of the actual total cost of reimbursable expenditures. Any expenses for a director attending a sanctioned activity of the District which are not typical for the occasion (as to type or amount) must be approved by the Board of Directors prior to incurring the expense. If a director receives an advance from the District for expenditures expected to be incurred, any unexpended amount (as evidenced by the detailed expense report described above) shall be repaid to the District simultaneously with submission of the report. A director shall not be eligible for an

advance if any unexpended portion of a previous advance has not yet been repaid to the District in full.

ARTICLE III  
CONSULTING SERVICES

Section 3.01. Any contract for professional consulting services, including legal, fiscal, accounting, auditing and/or engineering services shall be initiated, concluded and administered by the Board of Directors of the District pursuant to the procedures provided in Subchapter A, Chapter 2254, Government Code, as amended (the Professional Services Procurement Act).

Section 3.02. Prior to entering into a contract for professional consulting services, the Board of Directors shall review and evaluate proposals submitted by qualified consultants and shall assess: the prior project experience of such consultants that relate directly to the District's needs; the work experience of such consultants with organizations of similar types and sizes; the financial capacity and stability of such consultants; and such other matters and qualifications as the staff and/or Board of Directors of the District may deem appropriate. In evaluating such proposals, the Board of Directors may make such contacts with current and prior clients of such consultants as they may deem appropriate to obtain accurate assessments of the performance of such consultants. After an evaluation of such proposals and previous performance histories, the Board of Directors shall select and conclude a contract with a qualified consultant. All of such contracts shall be in writing and shall set forth the term, scope of work and costs to be incurred.

Section 3.03. Prior to renewal, revision or extension of any consulting contract, the Board of Directors shall evaluate the services provided pursuant to such contract. The Board of Directors of the District shall also monitor the services rendered in connection with all consulting contracts.

Section 3.04. The procedures for selection of professional consultants herein shall be subject to all other applicable requirements of the general and special laws of the State of Texas including, but not limited to, the provisions of Chapter 171, Texas Local Government Code, as amended, and Chapter 2252, Texas Government Code, as amended.

Section 3.05. The District shall require that any officer, employee, or consultant who collects, pays or handles any funds of the District furnish or provide a bond, payable to the District, in an amount determined by the Board of Directors to be sufficient to safeguard the District. Such bond shall be conditioned on the faithful performance of that person's duties and on accounting for all funds and property of the District. The bond shall be signed or endorsed by a surety company authorized to do business in the State of Texas. The Board may pay the premium on such surety bonds required out of any available funds of the District.

ARTICLE IV  
UNIFORM FINANCIAL ACCOUNTING AND  
REPORTING STANDARDS

Section 4.01. It is hereby declared the policy of the District to establish, implement and continue in connection with the District's financial statements, books and records uniform reporting standards and requirements that utilize "Audits of State and Local Government Units" as a guide for audit working papers and that utilize, to the extent not prohibited by the general and special laws of the State, "Governmental Accounting and Financial Reporting Standards". Notwithstanding the foregoing, a uniform method of accounting and reporting shall be established, implemented and continued in connection with all industrial development bonds and pollution control bonds of the District which complies with the requirements of the State auditor, as promulgated from time to time.

ARTICLE V  
ANNUAL OPERATING BUDGET

Section 5.01. Subject to the applicable requirements of the general and special laws of the State of Texas, the District's Board of Directors shall adopt and promulgate an operating budget for the fiscal period beginning on the first day and ending on the last day of the District's fiscal year. Such operating budget shall identify and describe in reasonable detail the anticipated sources of revenues, receipts and income and the proposed expenditures and costs of the District for such fiscal year. Any major proposed expenditure which is not itemized, categorized or otherwise described or contemplated in the current approved operating budget of the District shall be subject to the prior approval of the Board of Directors of the District. The Board of Directors of the District, in deliberating approval of such major proposed expenditure shall, in addition to other pertinent facts, consider: the fiscal implications of such proposed expenditure; the anticipated sources of new revenue, current revenue or funds on hand or in reserve available or to become available for payment of such proposed expenditure; and the projected implications, if any, of such proposed expenditure on other projected expenditures or costs of programs or projects of the District already included in the current fiscal year operating budget.

Section 5.02. Except as otherwise provided by the general and special laws of the State and the actions and proceedings of the Board of Directors of the District, nothing herein or in such operating budget shall be deemed or construed to constitute a debt or expenditure limitation or constraint on expenditure authorizations contained in such operating budget or to limit, alter or restrict the power and authority of the Board of Directors of the District to amend, modify or revise the District's current fiscal year operating budget contemporaneously with any proposed expenditure or in arrears thereto.

ARTICLE VI  
AUDIT COMMITTEE

Section 6.01. To assist the Board of Directors of the District in the management of the operations and fiscal affairs of the District, there is hereby appointed an Audit Committee of the Board of Directors consisting of the President and Secretary of the Board of Directors. Such

Audit Committee shall periodically review the District's financial statements, fiscal practices and financial position; shall consult, as and when they deem necessary or appropriate, with representatives of the Texas Commission on Environmental Quality, the District's independent auditors and the District's legal consultants; and shall make periodic recommendations to the Board of Directors of the District on such changes in accounting procedures and controls, fiscal management, investments and related financial matters as the Audit Committee may deem appropriate.

ARTICLE VII  
MISCELLANEOUS

Section 7.01. No part, section, paragraph or provision of the rules, regulations and policies contained herein is intended to expand, restrict or modify the legal duties and obligations of any director, officer, investment officer, consultant, contractor or employee of the District beyond the limits of applicable law, and in case of any conflict or inconsistency, such conflict or inconsistency will be resolved in favor of the applicable requirements of law. In the event of any ambiguity or uncertainty as to the intent and application of any part, section, paragraph or provision hereof, a written request for clarification or approval of a proposed action describing such circumstances shall be submitted to the Board of Directors for a decision as to a proper course of action.

Section 7.02. The rules, regulations and policies set forth herein shall be and remain in full force and effect unless and until amended, revised, rescinded or repealed by action of the Board of Directors. Any prior resolutions, orders, rules, regulations or policies which pertain to the subject matter herein or are in conflict herewith, are repealed, revoked, rescinded and of no further force and effect as of the date hereof.

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PASSED AND ADOPTED this the 18th day of August, 2015.

ROCK PRAIRIE MANAGEMENT DISTRICT  
NO. 2

ATTEST:

By:   
Secretary, Board of Directors

By:   
President, Board of Directors



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