

**RESOLUTION ESTABLISHING AUTHORIZATIONS
FOR DISTRICT OFFICE BUILDING PROJECT**

THE STATE OF TEXAS §
 §
COUNTY OF BASTROP §

THE BOARD OF DIRECTORS OF THE LOST PINES GROUNDWATER CONSERVATION DISTRICT FINDS AS FOLLOWS:

WHEREAS, the Lost Pines Groundwater Conservation District (the “District”) was created in 1999 by Senate Bill 1911, 76th Texas Legislature, pursuant to Section 59, Article 16 of the Texas Constitution and Article 7880-3c, Texas Civil Statutes (now Chapter 36, Texas Water Code); ratified by the 77th Texas Legislature in 2001; and confirmed by voters in Bastrop and Lee counties in November 2002;

WHEREAS, the District is a party to that certain Standard Form of Agreement Between Owner and Architect dated August 18, 2020 by and between the District and Negrete & Kolar Architects LLP (the “Architect Agreement”) concerning evaluation, design, bidding and construction administration related to a proposed District office building and related facilities (the “Project”);

WHEREAS, following certain required bidding and contractor selection processes, the District anticipates execution of a contract for construction of the Project (the (“Construction Agreement”); and

WHEREAS, to promote the orderly and efficient administration of the Project, and to avoid unnecessary delays and confusion, the District’s Board of Directors (the “Board”) desires to establish certain authorizations and responsibilities of the Board, the Board’s building committee (the “Building Committee”) and the District general manager (the “General Manager”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOST PINES GROUNDWATER CONSERVATION DISTRICT THAT:

Section 1: Matters Requiring Board Approval. The Board has and shall retain the sole authority to act or decline to act with respect to the following matters:

- (a) approval or rejection of the proposed preliminary design as described in Section 3.2.4 of the Architect Agreement;
- (b) approval or rejection of the proposed initial Project schedule as described in Sections 3.1.3 and 3.2.2 of the Architect Agreement;
- (c) approval or rejection of the proposed initial budget for the Cost of the Work as described in Section 3.2.2 of the Architect Agreement;

- (d) approval or rejection of the proposed "Owner's budget for the Project" as described in Section 5.2 of the Architect Agreement (the "Initial Project Budget");
- (e) approval or rejection of the Paint Creek Site as the site for the Project pursuant to Section 3.2.9 of the Architect Agreement;
- (f) execution of the District's rights to terminate the Architect Agreement or require the Architect to assist in identifying an alternative site for the Project pursuant to Section 3.2.9 of the Architect Agreement;
- (g) award of any contracts related to the construction or inspection of the Project;
- (h) approval or rejection of proposed change orders or other modifications that are not within the General Manager's authority as described in this resolution;
- (i) acceptance or rejection of the Project as substantially complete; and
- (j) acceptance or rejection of the Project as finally complete.

Section 2: Matters Requiring Building Committee Approval. Concurrence of the full membership of the Building Committee and the General Manager is required for any approval within the authority of the Building Committee set forth in this resolution. The Building Committee may, in its discretion, present any matter within its authority to the full Board for consideration. In addition to the authority otherwise set forth in this resolution, the Building Committee is authorized to act or decline to act with respect to the following matters:

- (a) approval or rejection of the proposed Schematic Design Documents for the Project as described in Section 3.2.7 of the Architect Agreement;
- (b) acceptance or rejection of the Paint Creek Site Evaluation Report as described in Sections 3.2.8 and 3.2.9 of the Architect Agreement;
- (c) approval or rejection of the proposed Design Development Documents as described in Section 3.3 of the Architect Agreement;
- (d) approval or rejection of the proposed form and content of the Construction Documents as described in Section 3.4 of the Architect Agreement;
- (e) approval or rejection of the proposed form and content of the Bidding Documents as described in Section 3.5 of the Architect Agreement, subject to concurrence of the District's counsel; and
- (f) instruction of the Architect to proceed with bidding of the Project as described in Section 3.5 of the Architect Agreement.

Section 3: General Authority of General Manager. The General Manager is authorized to take such actions and make such decisions as are necessary and prudent to promote the orderly and efficient administration of the Architect Agreement and the Construction Agreement

(collectively the “Project Agreements”), and to avoid unreasonable delay, costs or perils in completion of the Project. The General Manager may consult with the Building Committee with respect to performance of any of his duties under this resolution, and in his discretion, may present any matter to the full Board for consideration. The General Manager shall report to the Board on the progress of the Project on a monthly basis.

Section 4: General Manager to Act on behalf of Owner; Limitations. In addition to the foregoing authority, the General Manager is authorized to act or decline to act on behalf of the “Owner” with respect to all contractual rights and obligations of the “Owner” as defined in the Project Agreements, subject to the limitations and requirements set forth in Section 4(a)-(g).

- (a) Monetary Limit for Individual Change Orders: The General Manager is not authorized to approve any individual change or change order request proposing an increase in the Cost of the Work, or the Architect’s compensation, that is in excess of: (i) \$7,500.00; or (ii) the amount that is one percent (1%) of the Initial Project Budget (as approved by the Board pursuant to section 6(d) of this resolution).
- (b) Aggregate Monetary Limit for Change Orders: The General Manager is not authorized to approve any change or change order request that would result in an aggregate increase of the Cost of the Work or the Architect’s compensation that is in excess of the amount that is five percent (5%) of Initial Project Budget.
- (c) Time Extension Limit for Individual Change Orders: The General Manager is not authorized to approve any change or change order request that would result in delaying Project completion by more than thirty (30) days.
- (d) Aggregate Time Extension Limit for Change Orders: The General Manager is not authorized to approve any change or change order request that would result in an aggregate delay of Project completion by more than forty five (45) days, absent unanimous approval of the Building Committee obtained in writing.
- (e) Additional Services Under Architect Agreement: The General Manager is not authorized to approve Additional Services or Supplemental Services in excess of \$10,000.00, absent unanimous approval of the Building Committee obtained in writing.
- (f) Material Design or Construction Modifications: The General Manager is not authorized to direct or approve proposed design or construction modifications that would materially alter the dimensions, floorplan, functionality, location, orientation or other significant characteristics of the Project, absent unanimous approval of the Building Committee obtained in writing.
- (g) Reporting Requirements: The General Manager shall report to the Board on the progress of the Project on a monthly basis. The General Manager shall report to the Building Committee on an as needed basis, and at a minimum, shall report any proposed change orders, proposed Additional Services or Supplemental Services of the Architect, and any

proposed material design or construction modifications within three (3) days of receipt of the applicable proposal.

Section 5: Additional Express Authorizations of General Manager.

- (a) Pay Applications and Disbursements: The General Manager is expressly authorized approve pay applications and invoices and disburse related payments for work or services satisfactorily performed pursuant to either of the Project Agreements in accordance with the terms and conditions thereof. The General Manager shall ensure that all disbursements are accurately reflected in the Districts accounting ledgers, books and records and obtain appropriate records evidencing receipt of payment.
- (b) Permits and Applications: The General Manager is expressly authorized to execute and submit such permit applications and other documents as are necessary in obtaining approvals from governmental authorities for construction of the Project.
- (c) Notices: The General Manager is expressly authorized to receive and send notices to be delivered pursuant to the Contracts.

Section 6: Express Limitations on Authority of General Manager.

- (a) Real Property Transactions: The General Manager is expressly prohibited from conveying or accepting any interest in real property unless approved by the Board.
- (b) Completion Approvals: The General Manager is expressly prohibited from issuing approvals for substantial completion of the Project or final completion of the Project.
- (c) Actions Requiring Approvals: The General Manager is expressly prohibited from taking actions that are reserved to the authority of the Building Committee or the Board under this resolution.

Section 7: Document Execution. The Board authorizes its president and the officers and representatives of the District to execute such instruments, consents, documents, correspondence and agreements as may be necessary in furtherance of the foregoing authorizations, without further action on the part of the Board.

Section 8: Defined Terms. Any capitalized terms used in this resolution that are not defined herein shall have the meanings ascribed to them in the Project Agreements.

Section 9: Effectiveness. This resolution is in full force and effect immediately upon its adoption.

PASSED AND ADOPTED ON May 19, 2021.

LOST PINES GROUNDWATER
CONSERVATION DISTRICT

By: 
Sheril Smith, Vice-President
Board of Directors