

MEETING SUMMARY
GREENS BAYOU ESA/NRDA
SEPTEMBER 11, 2007

A meeting was held on September 11, 2007 in the Houston area to continue discussions related to injury determination and restoration projects as part of the ecological services analysis and natural resource damage assessment (ESA/NRDA) being conducted for Greens Bayou. The meeting agenda is included as attachment 1. Meeting attendees included representatives from GB Biosciences (GBB), ISK Magnetics (ISKM), and ARCADIS BBL on behalf of Tierra Solutions, Inc. (the Companies); their consultant team; and state and federal natural resource trustees (Trustees).

The first part of the meeting occurred at the Montgomery County Precinct 3 Office located in Spring, TX. There, the Trustees, Companies, and consultants met with Jennifer Lorenz, Executive Director of the Legacy Land Trust, and Robert Collins, Special Counsel, for Precinct 3, Montgomery County. Ms. Lorenz and Mr. Collins provided an overview of the conservation projects for the Spring Creek Greenway effort and identified two project sites that could be considered to address the restoration needs for the habitat impacts associated with construction and operation of the confined disposal facility (CDF) at the Greens Bayou site. Attachment 2 presents some detail on these mitigation projects.

The second part of the meeting took place at the GB Biosciences Plant site. The focus of the second half of the meeting was to discuss the draft settlement letter prepared by the Trustees and sent to the Companies for review on August 31, 2007.

The first order of business was to discuss the Trustee changes to the draft minutes of the July 31 and August 8, 2007 meetings. The Trustee comments were discussed and it was generally agreed that Trustee changes were acceptable to the Companies. The Trustees agreed to send a redlined/edited version of the meeting minutes to the Companies to review. The Companies would issue the final meeting minutes, unless further discussion is needed.

Next, there was a general discussion about the preservation options in the Spring Creek Greenway that were discussed in the morning. The Trustees and Companies generally agreed that the mitigation site that was adjacent to sand pit operations was the more desirable preservation project, given its size, quality, location adjacent to other large preserved tracts, and its strategic value to the Legacy Land Trust as a key tract to facilitate additional preservation efforts.

The group then began discussion of the draft settlement proposal. The acreage needed to compensate for the CDF impacts was discussed, and the Companies and Trustees broke out separately to further explore the issue. After the group reconvened, the Trustees and Companies agreed that the acreage needed to compensate for the CDF impacts would be less than the 150 acres listed in the draft settlement letter. A range of acreages were discussed, principally under the assumption that the preferred Spring Creek Greenway project (near the

sand pit) would be used. The Trustees agreed to conduct additional discussions and evaluations internally and get back to the companies within the next week with a more definitive estimate of acreage needs.

The group then discussed potential restoration projects for compensation of the bayou impacts. Kris Benson (NOAA Restoration Center) identified possible restoration project sites at Burnette Bay (with the Galveston Bay Foundation) and Tapley Tributary (with the Buffalo Bayou Partnership). Richard Seiler briefly discussed the options at Baytown Nature Center. Kris Benson and Richard Seiler agreed to provide within the next week some additional detail related to these three project sites, including information on available acreage and the costs for implementation and monitoring at these restoration project sites.

Action Items

- Trustees to send to the Companies redlined versions of the July 31 and August 8 meeting minutes.
- Companies to review the redlined versions and finalize meeting minutes.
- Trustees to further evaluate acreage needs to compensate for CDF impacts and provide feedback to the Companies by the week of September 17th.
- Trustees (Kris Benson and Richard Seiler) will summarize additional detail on the possible marsh restoration sites and send to the companies by the week of September 17th.

Next Meeting

A conference call has been scheduled for September 21st at 9:30 am CST. The call in number is 866-882-6183. The code is 5828997. Call topics include (1) further discussion of preservation acreage for CDF, (2) discussion of marsh restoration and the project options compiled by the Trustees, (3) Company comments on the draft settlement letter.

ATTACHMENT 1

Draft Agenda Greens Bayou ESA/NRDA Meeting September 11-12, 2007

Tuesday, September 11

10:00 – 1:00 Review of potential restoration sites
Location: Legacy Land Trust, 1130 Pruitt Road, Spring, TX

1:00 – 3:00 Travel to GBB plant site; lunch (on the way)
Location: 2239 Haden Road, Houston

3:00 – 5:00 Draft Settlement (review and discussion)

Wednesday, September 12

8:30 – 1:00 Draft Settlement (review and discussion)

ATTACHMENT 2

SPRING CREEK GREENWAY PRESERVATION OPTIONS

Mitigation Options

Submitted by Legacy Land Trust and Montgomery County Precinct 3

September 11, 2007

Details:

- 1) Willing seller
- 2) Clear title
- 3) Project is located within Spring Creek Greenway Project
- 4) Project met criteria as established in Forest Legacy Program for 2006 and 2004 Assessment of Need Document
- 5) Anticipated costs: \$4,000 - \$6,400 per acre + ~\$15-18,000 for conservation easement fees which include baseline flora/fauna inventory, annual monitoring stewardship fee and legal defense fee
- 6) One property does not have many jurisdictional wetlands but the tract adjacent to it does, which we plan to use for wetland mitigation and also preserve in similar manner. Portions of the other tract have been delineated and contain wetlands.
- 7) Both properties are 95% forestland.

Project Summary/Description:

The tracts being submitted for consideration are 65~80 acre forest located next to Spring Creek in southern Montgomery County. Most importantly, this tract is in pristine condition and is located within The Spring Creek Greenway Project, a collaborative conservation effort between private landowners, Montgomery County Precinct 3, Harris County Precinct 4, and Legacy Land Trust.

- The project conserves biological diversity as it is part of the habitat connectivity project of the Spring Creek Greenway Project and has rare and dwindling bottomland hardwoods. While no endangered species have been found on the property, it could be easily managed for the endangered Red Cockaded Woodpecker.
- The property helps protect the important Spring Creek Watershed and enhances water quality and quantity flowing down Spring Creek into one of Houston's main water sources: Lake Houston. It also protects the fragile Spring Creek waterway composed of fine, highly erodible sugar sand.
- Preservation of this property helps support the Spring Creek Greenway Project open space initiatives whose goal is to decrease forest fragmentation, protect unique riparian habitats and reduce the negative effects of urban sprawl.

Evaluation Criteria:

Importance:

- Public benefits include protecting important, diminishing riparian habitat while providing linkage for low-impact trail system along the creek for public use
- Provides preservation of recharge zone for Chico Aquifer – main water supply for Montgomery County MUD districts
- Provides flood buffer zone for nearby development
- Prevents sand and gravel exploration which diminishes water quality
- Sand and gravel operations silting fills in Lake Houston

Threat:

- Landowner has recently been approached for purchase bid for sand and gravel operation
- Landowner has recently been approached for lease for sand and gravel operation
- Property has small amount of floodway – could be developed and/or timbered
- Property has small amount of jurisdictional wetlands so could be developed without many mitigation needs
- Nearby high-density, single family residential development has already occurred

Strategy:

- Property is within location parameters (near the middle) of 15,000-acre, 33-mile long Spring Creek Greenway Project
- Property is part of strategy for Spring Creek Greenway Project which is to have private landowners conserve their land (particularly floodway and floodplain) and/or to sell to either Harris or Montgomery County
- The property is near other sections of property in the Spring Creek Greenway Project which have either conservation easements on them or have been or are being purchased by the two counties.
- As part of a national conservation picture, the property lies within three important federal conservation programs through the U.S. Fish and Wildlife Service for migratory bird flyway projects.
- Near recent FEMA flood buyout properties, providing further buffer zone areas

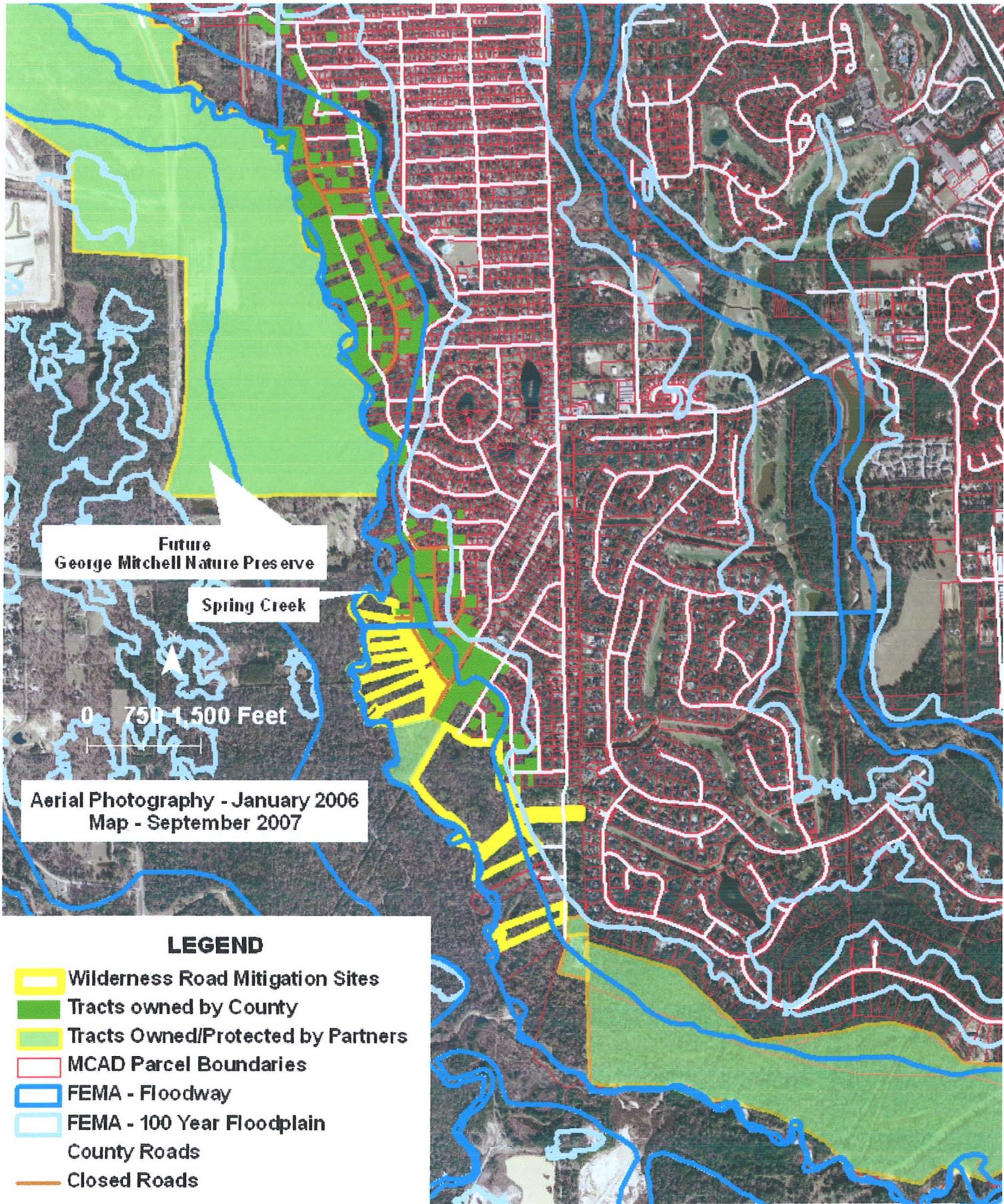
Project Readiness:

- First and foremost a willing landowner
- Recent appraisal near completion,
- Project can be ready in less than 2 months
- August 25, 2005 Harris and Montgomery Counties received 1 million dollar Regional Texas Parks and Wildlife Grant for Spring Creek Greenway Project
- June of 2007 Montgomery and Harris Counties received an additional 1.5 million Texas Parks & Wildlife grant for Spring Creek Greenway Project
- High level of support from numerous NGOs and both Counties as well as support from TPWD, USFW, TCEQ, and U.S. Army Corps of Engineers, Galveston District

Supporting Organizations:

- Legacy Land Trust has been assisting with the Spring Creek Greenway Project since 2001 and will coordinate biological surveys for this tract
- Montgomery County Precinct 3 is ready to contribute and raise matching funds for this project, as well as financially supporting the entire Greenway Project
- Harris County Precinct 4 is supportive of this project and will help as it understands the need to protect the “other” side of the creek within the Greenway Project
- Montgomery County Master Naturalists can assist with numerous projects on the property as they do at the Montgomery County Preserve, from water quality monitoring of the creek, to assistance with flora/fauna surveys as well as enhancement and restoration of the tract – from taking out invasive Chinese tallow and deep-rooted sedge, as well as tree plantings
- Other assisting organizations for the Spring Creek Greenway Project, who would help assist in management and preservation of this property include: Houston Audubon Society, National Parks Service and multiple other NGOs who support the connectivity and preservation of this unique forested ecosystem between two of the fastest growing counties in Texas.

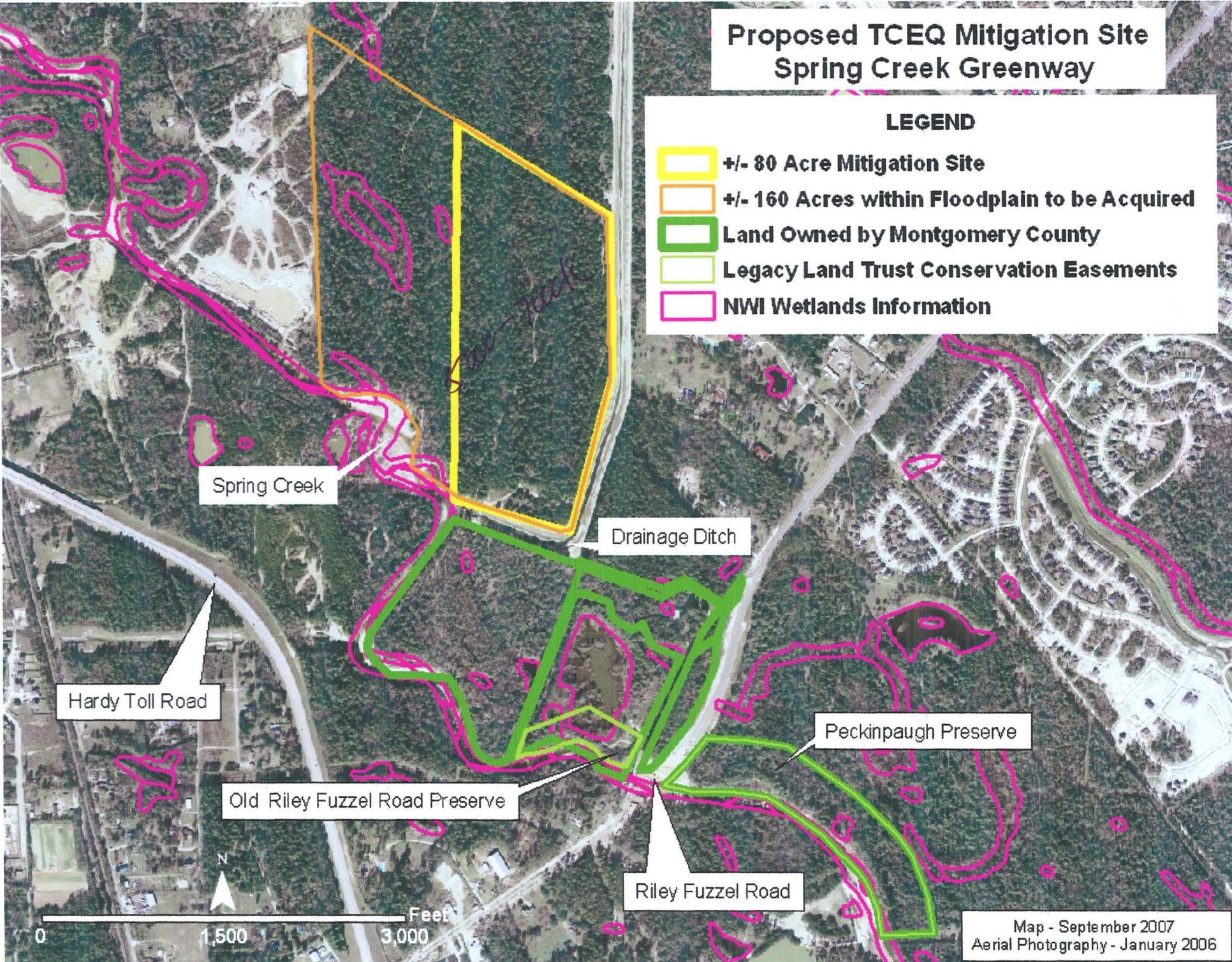
**Wilderness Road Mitigation Sites +/- 65 Acres
Spring Creek Greenway**



Proposed TCEQ Mitigation Site Spring Creek Greenway

LEGEND

-  +/- 80 Acre Mitigation Site
-  +/- 160 Acres within Floodplain to be Acquired
-  Land Owned by Montgomery County
-  Legacy Land Trust Conservation Easements
-  NWI Wetlands Information



Spring Creek

Drainage Ditch

Hardy Toll Road

Old Riley Fuzzel Road Preserve

Peckinpaugh Preserve

Riley Fuzzel Road

0 1,500 3,000 Feet

Map - September 2007
Aerial Photography - January 2006