

SIENNA PLANTATION MUNICIPAL UTILITY DISTRICT NO. 1

March 26, 2007

Residents and Landowners of Sienna Plantation
Fort Bend County, Texas

Dear Residents and Landowners:

On June 28, 2006, Sienna Plantation Municipal Utility District No. 1 (the "District") notified residents of Sienna Plantation of elevated fluoride detected in the District's water supply, along with important information about the health affects of drinking water with elevated fluoride content. The District also authorized its engineer to determine methods to reduce elevated fluoride levels in the District's water system.

Since that time, the District entered into an agreement with Tonka Equipment Company, on July 27, 2006, to provide testing equipment to perform a pilot study for fluoride treatment. The purpose of the pilot study was to determine the methods and intensity of treatment necessary to reduce the fluoride to recommended levels. The results of the pilot study were presented to the Board of Directors of the District on October 26, 2006.

The District then obtained an estimate of the costs and options for fluoride removal and treatment. On January 27, 2007 the District approved a series of contracts for the design and installation of the fluoride removal and treatment system. The total cost of the system is \$1.3 million. Funding for this system is not anticipated to require an increase in water rates or taxes.

We anticipate that the filtration system will be operational by September of this year.

Very truly yours,

Carl S. Bowles
President, Board of Directors