

MINUTES OF REGULAR MEETING
OF
SIENNA PLANTATION MUNICIPAL UTILITY DISTRICT NO. 2

June 18, 2007

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

The Board of Directors of Sienna Plantation Municipal Utility District No. 2 (the "District") met in special session, open to the public, on the 18th day of June, 2007, at a designated meeting place of the District, ECO Resources, Inc., 12535 Reed Road, Sugar Land, Texas, outside the boundaries of the District, and the roll was called of the duly elected members of the Board, to-wit:

Mark Parsons	President
David Daniel	Vice President
Jeff Farrar	Secretary
Richard Luke	Assistant Vice President
Brian Machart	Assistant Secretary

and all of the above were present.

Also present at the meeting were the following: Michael Rusk of LJA Engineering & Surveying, Inc.; Kim Saunders of Tax Tech, Inc.; Shirley McLennan of McLennan & Associates, L.P.; Chris Wilson of ECO Resources, Inc. ("ECO"); Joe Wertz of Klotz & Associates, Inc. ("Klotz"); Tommy Haynes, District Consultant; and Rich Muller, Angela Lutz and Brenda Presser of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board first reviewed the minutes of a meeting held May 29, 2007. After review and discussion, Director Luke moved that the Board approve the minutes of the May 29, 2007 meeting, as presented. Director Daniel seconded the motion, which passed unanimously.

APPROVE DIRECTOR'S SWORN STATEMENT, OFFICIAL BOND AND OATH OF OFFICE

The Board considered approving the Sworn Statement, Official Bond and Oath of Office executed by Mr. Farrar in connection with his appointment to the Board of Directors. Director Daniel moved to approve the Sworn Statement and Oath of Office executed by Mr. Farrar and authorize filing the Oath of Office with the Secretary of State. Director Machart seconded the motion, which passed unanimously. Copies of the Sworn Statement, Official Bond, and Oath of Office for Director Farrar are attached to these minutes.

REORGANIZE BOARD AND ELECT OFFICERS

The Board then discussed reorganization and noted that the office of Vice President is vacant. Following discussion and upon a motion made by Director Machart and seconded by Director Luke, the Board voted unanimously to elect Director Daniel as Vice President, elect Director Farrar as Secretary and to have all other directors retain their current positions.

The Board then considered authorizing ABHR to prepare an updated District Registration Form for filing with the Texas Commission on Environmental Quality (the "TCEQ") to reflect the addition of Mr. Farrar to the Board of Directors. Director Machart moved to authorize ABHR to prepare and file the District Registration Form as stated. Director Luke seconded the motion, which passed by unanimous vote. A copy of the District Registration Form is attached.

DISCUSS OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS AND AUTHORIZE APPROPRIATE ACTION

Mr. Muller discussed the Open Meetings Act and Public Information Act training requirements.

DISCUSS CONFLICT OF INTEREST REQUIRED UNDER CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURE FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION AND AUTHORIZE APPROPRIATE ACTION

Mr. Muller discussed conflict of interest disclosure requirements pursuant to Chapter 176, Local Government Code relating to the disclosure of certain relationships by Directors, vendors and certain prospective vendors to the District.

RECEIVE PUBLIC COMMENTS

No one from the general public appeared before the Board.

BOOKKEEPER'S REPORT

Ms. McLennan reviewed with the Board the bookkeeper's report and the investment report, and the Board considered bills for payment. Following review and discussion, Director Daniel moved that the Board approve the bookkeeper's report, investment report, and payment of bills. Director Machart seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

DISCUSS BUDGET FOR FISCAL YEAR ENDING SEPTEMBER 30, 2008

The Board then considered scheduling a special budget workshop meeting to discuss budget matters and tabled scheduling such meeting until next month.

REVIEW AND APPROVE REPORT ON ARBITRAGE REBATE STUDY FOR SERIES 2002 BONDS

Mr. Muller reported that the report is due in August and should be available at the District's next meeting. The Board concurred to table this matter.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Saunders reviewed the monthly tax assessor/collector's report, a copy of which is attached. She also reported that current collection rate for 2006 is 95.84%. After review and discussion, Director Daniel moved to approve the tax assessor/collector's report and payment of bills from the District's tax account. Director Luke seconded the motion, which passed unanimously.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH THE DELINQUENT TAXES

The Board next discussed authorizing the delinquent tax attorney to proceed with the collection of the delinquent taxes in accordance with the District's policy, after July 1, 2007. After discussion, Director Luke moved to authorize the delinquent tax attorney to proceed with the collection of delinquent taxes for 2006. Director Daniel seconded the motion, which passed unanimously.

REPORT FROM TOMMY HAYNES

Mr. Haynes presented and reviewed the Steep Bank Village Drainage Improvements Report for May, a copy of which is attached. He then reported that resident calls have decreased. He then discussed coordinating with ECO Resources for minor repairs in order to expedite repair and reduce cost to District.

Mr. Haynes then distributed and reviewed a preliminary draft Storm Water Collection System Maintenance Services, a copy of which is attached. He then addressed each section with recommended suggestions to maintain the District's ditches, including recently rehabilitated areas. The Board also discussed proposed duplication of efforts by ECO Resources and streamlining actions and responsibilities for inspections. He also presented an outline for line item charges.

Following discussion, the Board requested ECO Resources to provide a proposal of scope of services and charges to oversee maintenance program.

ENGINEER'S REPORT

Mr. Wertz presented the engineer's report, a copy of which is attached, and discussed with the Board the items more particularly described hereafter.

Mr. Wertz reported that Phase I's final approval is subject to resolution with City of Missouri City regarding sanitary sewer line.

Mr. Wertz then reported that plans and specifications of Steep Bank Village Ditch Project, Phase III should be completed by next meeting. He then reviewed the current proposed cost estimate for Phase III, a copy is attached. The Board then discussed bid and construction timelines for Phase III.

OPERATOR'S REPORT AND CONDUCT HEARING ON TERMINATION OF WATER SERVICE TO DELINQUENT CUSTOMERS, AND AUTHORIZE APPROPRIATE ACTION

Mr. Wilson presented and discussed the operator's report, a copy of which is attached. He stated there are 1,768 connections in the District, and an overall accountability for a four-month average of 91.1%. He then reviewed the management report which describes maintenance and repair items performed within the District since the last meeting and the District backcharge list.

Mr. Wilson next presented a list of delinquent customers this month. The Board conducted a hearing regarding water and sewer service terminations. He informed the Board that the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification in accordance with the District's Rate Order prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility service should not be terminated for reason of non-payment.

The Board then discussed schedule for painting fire hydrants. Mr. Wilson reported that ECO is researching a company that provides a more durable paint to sustain a longer period between paintings and will report a proposed cost for the District upon receipt of information.

After discussion, Director Luke moved to approve the operator's report and, to authorize termination of utility services in accordance with the District's Rate Order for residents on the termination list that were either not present at the meeting or had not requested to speak regarding their delinquency nor presented any written statement on the matter to the Board. The motion was seconded by Director Daniel and passed unanimously. A copy of the termination list is attached.

SUBMIT MONTHLY ESTIMATES OF CONNECTIONS, WASTE AND POTABLE WATER QUANTITIES TO MASTER DISTRICT.

Mr. Muller reported that under the District's contract with the Master District, the District is required to provide an annual estimate of connections for the preparation of the Master District budget. He stated that ABHR is currently coordinating with the operator and developer to obtain required information and provide to the bookkeeper.

RECEIVE REPORT FROM PARK COMMITTEE AND AUTHORIZE APPROPRIATE ACTION

There were no updates to report to the Board.

RECEIVE REPORTS FROM DIRECTORS AND CONSULTANTS AND AUTHORIZE APPROPRIATE ACTION

No additional reports were received by the Board.

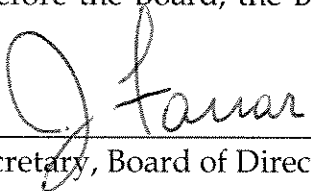
CONVENE EXECUTIVE SESSION PURSUANT TO SECTION 551.071 OF THE TEXAS GOVERNMENT CODE TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION

Mr. Muller stated that Executive Session is not necessary at this time.

SUCH OTHER MATTERS AS MAY COME BEFORE THE BOARD

There being no further business to come before the Board, the Board concurred to adjourn the meeting.




Secretary, Board of Directors

ACTION LIST

1. ABHR to file the Oath of Office with the Secretary of State.
2. ABHR to file revised District Registration Form with TCEQ.

LIST OF ATTACHMENTS TO MINUTES

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