

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

January 21, 2008

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

The Board of Directors (the "Board") of Sienna Plantation Municipal Utility District No. 2 (the "District"), convened in regular session, open to the public, on the 21st day of January, 2008, outside the boundaries of the District, at the offices of SWWC Services, Inc., 12535 Reed Road, Sugar Land, Texas, and the roll was called of the members of the Board:

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, except Directors Daniel and Machart, thus constituting a quorum.

Also present at the meeting were the following: Mark McGrath of Null-Lairson, P.C.; Brad Koehl of Texas Services; Kim Saunders of Tax Tech, Inc.; Shirley McLennan of McLennan & Associates, L.P.; Chris Wilson of SWWC Services, Inc. ("SWWC"); Joe Wertz of Klotz & Associates, Inc. ("Klotz"); Tommy Haynes, District Consultant; David Rivera of LJA Engineering and Surveying, Inc.; and Angie Lutz and Brenda Presser of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board first reviewed the minutes of a meeting held December 17, 2007. After review and discussion, Director Farrar moved that the Board approve the minutes of the December 17, 2007 meeting, as presented. Director Luke seconded the motion, which passed unanimously.

RECEIVE PUBLIC COMMENTS

No public comments were presented nor received by the Board.

APPROVE AUDIT FOR FISCAL YEAR ENDED SEPTEMBER 30, 2007

Mr. McGrath reviewed the District's audit for the fiscal year ended September 30, 2007. Ms. Lutz noted that the audit is due for filing with the Texas Commission on Environmental Quality by February 14th. After review and discussion, Director Luke moved that the Board approve the audit, subject to final review by ABHR, and authorize filing of audit with the Texas Commission on Environmental Quality ("TCEQ"). Director Farrar seconded the motion, which passed unanimously.

BOOKKEEPER'S REPORT

Ms. McLennan reviewed with the Board the bookkeeper's report and the investment report, and the Board considered bills for payment. After review and discussion, Director Farrar moved to approve the bookkeeper's report, investment report, authorize payment of the bills as discussed. Director Luke seconded the motion, which passed unanimously. A copy of the bookkeeper's report is attached.

ACCEPT ANNUAL DISCLOSURE STATEMENTS FROM BOOKKEEPER AND INVESTMENT OFFICER

Ms. McLennan stated that both the bookkeeper and Investment Officer are required to submit disclosure statements to the District annually. She then presented an annual disclosure statement of the bookkeeper and investment officer for the District, copies of which are attached. Following review and discussion, Director Farrar moved to accept disclosure statements of the bookkeeper and Investment Officer. Director Luke seconded the motion, which passed unanimously.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Saunders reviewed the monthly tax assessor/collector's report, a copy of which is attached. After review and discussion, Director Luke moved to approve the tax assessor/collector's report, payment of bills from the District's tax account. Director Farrar seconded the motion, which passed unanimously.

ADOPT RESOLUTION DESIGNATING AGENT FOR ISSUANCE OF NOTICE TO PURCHASERS

Ms. Lutz requested the Board's consideration to adopt a Resolution Designating Agent for Issuance of Notice to Purchasers, which updates the Board's designation of the District's tax assessor/collector as the District's agent to issue the form Notice to Purchasers upon any person's written request and payment of a reasonable fee not to exceed \$10. Upon a motion made by Director Luke and seconded by Director Farrar, the Board voted unanimously to adopt the Resolution Designating Agent for Issuance of Notice to Purchasers. The Resolution, thus adopted, is attached to and shall be considered as part of these minutes.

AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

Ms. Lutz next presented a revised District Registration Form for the Board's consideration, reflecting updated information for the tax assessor/collector and name change from ECO Resources, Inc. to SWWC Services, Inc and noted that such form will be filed with the TCEQ. Following review and discussion Director Luke moved to authorize the execution and filing of the District's revised District Registration Form, a copy of which is attached. Director Farrar seconded the motion, which passed unanimously.

REPORT FROM TOMMY HAYNES

Mr. Haynes presented and reviewed the Steep Bank Village Drainage Improvements Report for November, a copy of which is attached.

Mr. Haynes then discussed with the Board an acceptable site for the contractor to store supplies for Phase III project. Discussion ensued regarding use of a previous site located in Sienna Plantation Levee Improvement District of Fort Bend County, Texas ("SPLID"), which was used during construction of Phase II. Ms. Lutz noted that she would add this item to the SPLID agenda for discussion and action at their next meeting.

Mr. Haynes also reported that he inspected Hart Circle and Rita Elliott for standing water, which was part of the Phase I project and discussed a plan to correct the problem. The Board then discussed adding this project to the Phase III contract and an approximate cost of \$3,000 to \$5,000 was estimated for the additional work. Following discussion, the Board requested that quotes from Klotz for the project be presented at the next meeting for the Board to make a determination if feasible to add to the Phase III project.

RECEIVE REPORT FROM TEXAS SERVICES REGARDING DITCH MAINTENANCE PROGRAM AND AUTHORIZE APPROPRIATE ACTION

Mr. Koehl presented and reviewed a monthly inspection report for maintenance and repair of rehabilitated ditches and discussed recommendations for repairs, a copy of which is attached. Following review and discussion, Director Farrar moved to approve the monthly inspection report and approve recommended repairs as discussed and illustrated in the monthly report. Director Luke seconded the motion, which passed unanimously.

The Board then inquired about a previous request of Texas Services to provide a cost estimate for repairs in Steep Bank East. Mr. Koehl assured the Board he would have the cost estimate prepared and presented at the next Board meeting.

ENGINEER'S REPORT

In the absence of the engineer, Ms. Lutz reported that the final pay estimate for Phase II has not been received and would hopefully be provided at the next meeting.

Mr. Haynes then reported that he and the engineer inspected issues associated with standing water noted on Hart Circle and Rita Elliott and discussed a plan to create flow to move the water out of the ditches. He also discussed maintenance issues required on DeWalt and Oakland Circle. The Board requested that Texas Tree Services provide a quote to address maintenance repairs on DeWalt and Oakland Circle, and Klotz to provide quotes to repair and maintain issues associated with Hart Circle and Rita Elliott.

Discussion then ensued regarding updates on the District's web site related to the Phase III construction status. The Board requested that the following information be added to the District's web site: 1) map of construction area; 2) construction schedule; 3) weekly update; and 4) contact for Tommy Haynes, the contractor and the engineer. The Board also requested a monthly project report that notes whether the construction time frame is being met and running expenditures associated with the project (i.e. pay estimates, change orders).

Following discussion, Director Luke moved that the Board 1) authorize Texas Tree Services to provide a cost estimate to address maintenance repairs on DeWalt and Oakland Circle; 2) authorize Klotz provide quotes to repair and maintain issues associated with Hart Circle and Rita Elliott; and 3) direct Klotz to provide a monthly report relating to status of construction projects. Director Farrar seconded the motion, which passed unanimously.

APPROVE OPERATOR'S REPORT

Mr. Wilson presented and discussed the operator's report, a copy of which is attached. He stated there are 1,780 connections in the District, and an overall accountability for a four-month average of 93.5%. 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. Following discussion, Director Luke moved to approve the operator's report, as presented. The motion was seconded by Director Farrar and passed unanimously.

ASSIGNMENT OF CONTRACT FROM ECO RESOURCES, INC. TO SWWC SERVICE, INC.

Ms. Lutz next presented a form of assignment of operating services contract from ECO Resources, Inc., to SWWC Services, Inc. for the Board's consideration. Following review and discussion, Director Luke moved to approve the assignment of operating services contract as presented. Director Farrar seconded the motion, which passed

unanimously. A copy of the assignment of operating services contract is attached hereto.

CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS, AND AUTHORIZE TERMINATION OF SERVICE

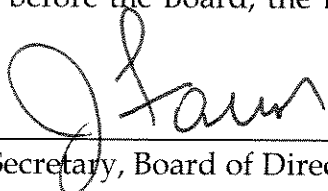
Mr. Wilson next presented a list of delinquent customers this month and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to 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. It was noted that no residents were present to contest delinquent accounts.

Following discussion, Director Luke moved to authorize termination of delinquent accounts in accordance with the District's Rate Order. The motion was seconded by Director Farrar and passed unanimously. A copy of the termination list is attached.

RECEIVE REPORTS FROM DIRECTORS AND CONSULTANTS AND AUTHORIZE APPROPRIATE ACTION

No other reports were presented to the Board of Directors.

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


Secretary, Board of Directors



ACTION LIST

1. Mr. Haynes to provide ABHR with construction schedule, map of affected areas and contact information for update to District's web site.
2. ABHR to file Resolution Designating Agent for Issuance of Notice to Purchasers with appropriate agencies.
3. ABHR to file District Registration Form with TCEQ.
4. ABHR to file audit with TCEQ and transmit to web manager for application to District's web site.
5. ABHR to file disclosure statements with Texas Ethics Commission.
6. Klotz to provide quotes to repair ditches on Hart Circle and Rita Elliott.
7. Texas Services to provide a cost estimate for repairs in Steep Bank East.
8. ABHR to add item to SPLID agenda for authorization to use SPLID property for storage of construction materials for Phase III project.

LIST OF ATTACHMENTS TO MINUTES

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