

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

June 25, 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 25th day of June, 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: Melissa Marroquin, and Lindsey Cantu, District residents; Stephen Eustis of RBC Capital Markets; 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"); Tommy Haynes, District Consultant; Don Francis of LJA Engineering & Surveying, Inc.; Tom Dodson of Klotz & Associates, Inc.; Angie Lutz and Brenda Presser of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board first reviewed the minutes of meetings held May 19 and May 22, 2008. After review and discussion, Director Farrar moved that the Board approve the minutes of the meetings held May 19 and May 22, 2008, as amended. Director Luke seconded the motion, which passed unanimously.

RECEIVE PUBLIC COMMENTS

District residents, Melissa Marroquin and Lindsey Cantu were introduced to the Board as interested candidates to fill the vacancies on the Board. The Board discussed

with the residents the source for their interest and expectations for serving on 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. 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.

REQUEST FOR REIMBURSEMENT OF OUTSTANDING DEVELOPER RECEIVABLES

Ms. Lutz reported that ABHR is coordinating with the developer to determine if there are any outstanding developer receivables.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Saunders reviewed the monthly tax assessor/collector's report, a copy of which is attached. The current collection rate is 95.35% for 2007 taxes. After review and discussion, Director Farrar 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.

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 also reported on the status of construction in Phase III and reviewed a construction activity report.

Mr. Haynes reported that he has been contacted by a resident about a missing segment from their sprinkler system, which he confirmed resulted from the District's construction of Primary Storm Collectors, Phase II. The Board discussed cost for repair and determined the cost is within the scope of services provided by Texas Services.

Mr. Haynes next reported that the Phase III project includes re-grading drainage ditches and the drainage outfall channel located within the Park/Nature Area. He stated that an investigation of the outfall pipe downstream revealed that a segment of the outfall pipe requires re-grade and cleaning to prevent standing water. He stated that approximately 400 feet will need to be cleaned out and re-graded so that flow can enter the internal drainage channel. He then presented a proposal for such repair in the amount of \$5,000. Following discussion, Director Luke moved that the Board authorize the re-grade and cleaning of outfall pipe and approve the proposal for such work in the amount of \$5,000. Director Farrar seconded the motion, which passed unanimously.

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.

The Board further discussed repair of the sprinkler system as previously presented by Mr. Haynes and requested by a District resident on North Fitzgerald Way.

Following review and discussion Director Farrar moved to authorize Texas Services to make the repairs at 8607 S. Fitzgerald and 3711 Clark Manor, as discussed in report and replace the sprinkler segment for cost not to exceed \$300. Director Luke seconded the motion, which passed unanimously.

ENGINEER'S REPORT

Mr. Dodson reported on the status of the Primary Storm Collectors, Phases III project (the "Project"). He then distributed and reviewed a recommendation for future improvements, which the current cost estimate is approximately \$22,000 for engineering and approximately \$278,000 for construction. A copy of the recommendation for Future Steep Bank Trace Primary Storm Collectors Improvements is attached. No action was taken by the Board on this matter at this time.

Mr. Dodson then presented and recommended approval of Pay Estimate No. 5 in the amount of \$138,853.35, along with a Partial Waiver of Lien, to Huff & Mitchell, Inc. for construction of Primary Storm Collectors, Phase III.

Director Parsons noted that Mr. Ramsey will visit with Mr. Beckleman next week to discuss design for drainage improvements to his property.

Following discussion, Director Farrar moved to approve Pay Estimate No. 5 in the amount of \$138,853.35 to Huff & Mitchell, Inc. for construction of Primary Storm Collectors, Phase III. Director Luke 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 1,782 connections in the District, and an overall accountability for a four-month average of 97%. 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 Farrar moved to approve the operator's report, as presented. The motion was seconded by Director Luke and passed unanimously.

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

Mr. Wilson next reported on the list of delinquent customers this month. 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. Ms. Lutz noted that notification of the meeting date was incorrect and, therefore, delinquent accounts cannot be terminated because concerned residents may have appeared at the address noted on their water bill. After discussion, the Board concurred to table termination of delinquent accounts presented at this meeting. Mr. Wilson stated that a door tag will be placed at the homes of the delinquent residents. A copy of the proposed termination list is attached.

APPOINT BOARD MEMBER TO BE LIASON FOR MAINTAINING DISTRICT'S INFORMATION ON WEB SITE

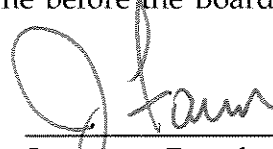
The Board concurred to table this matter.

RECEIVE REPORTS FROM DIRECTORS AND CONSULTANTS AND AUTHORIZE APPROPRIATE ACTION

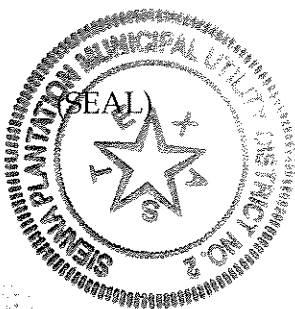
Ms. Lutz reported that the pumpage fee by the Master District has been increased to \$.70 to coordinate with the City of Missouri City's fee related to Surface Water Treatment Plant.

Don Francis updated the board on the status of the fluoride removal and treatment system and reported there are issues to resolve concerning SCADA system. He stated technicians from Tonka would return to the site on July 14.

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



Secretary, Board of Directors



ACTION LIST

None.

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