

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

February 16, 2009

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 16th day of February, 2009, 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
Brian Machart	Vice President
Jeff Farrar	Secretary
Michael Kroboth	Assistant Vice President
David N. Morrell, Jr.	Assistant Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were the following: Tom Ramsey of Klotz & Associates, Inc. ("Klotz"); Brad Koehl of Texas Services, Ltd.; Esther Flores of Tax Tech, Inc.; Shirley McLennan of McLennan & Associates, L.P.; Chris Wilson of SWWC Services, Inc. ("SWWC"); Don Francis of LJA Engineering & Surveying, Inc.; and Angie Lutz and Tara Castillo of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board first reviewed the minutes of the meetings held January 19 and January 23, 2009. After review and discussion, Director Parsons moved to approve the minutes of the meetings held January 19 and January 23, 2009. Director Kroboth seconded the motion, which passed unanimously.

RECEIVE PUBLIC COMMENTS

No public comments were received.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Directors who attended the Association of Water Board Directors Winter Conference recapped and discussed seminars attended. Following discussion, Director Morrell moved to authorize reimbursement of eligible expenses to the directors who attended the winter conference and authorize attendance by interested directors at the Association of Water Board Directors Summer Conference. Director Farrar seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF BILLS AND REVIEW OF INVESTMENTS

Ms. McLennan stated that Chase Bank has debited the District's capital projects and debt service accounts for nine months of service fees that have not previously been assessed, and therefore she recommended closing the accounts with Chase Bank and opening replacement accounts with Compass Bank. Ms. Lutz stated that ABHR has sent a letter to Chase Bank requesting documentation allowing for the assessment of the fees and that the debited funds be refunded to the District. After discussion, Director Farrar moved to authorize closing the District's accounts at Chase Bank and opening replacement accounts at Compass Bank. Director Machart seconded the motion, which passed unanimously.

Ms. McLennan then reviewed the bookkeeper's report, the District's investment report, and presented checks for approval. Ms. McLennan inquired about the status of the pending Huff and Mitchell check. Mr. Ramsey stated that the check is still on hold, pending Missouri City's approval of the construction plans, which he anticipates to be approved in the next few weeks. After review and discussion, Director Machart moved to: (1) approve the bookkeeper's report and investment report; (2) authorize payment of the bills as presented; and (3) direct that the reports be filed appropriately and retained in the District's official records. Director Morrell seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS, INCLUDING DELINQUENT TAX COLLECTIONS, INSTALLMENT AGREEMENTS, AND PAYMENT OF TAX BILLS

The Board received the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Farrar moved to approve the tax assessor/collector's report; direct that it be filed appropriately and retained in the District's official records and authorize payment of bills. Director Morrell seconded the motion, which passed unanimously.

REPORT FROM TEXAS SERVICES REGARDING DITCH MAINTENANCE PROGRAM

Mr. Koehl presented and reviewed the current Maintenance Report for maintenance and repairs of rehabilitated ditches (the "Maintenance Report") and discussed recommendations for repairs, a copy of which is attached. Following discussion, Director Farrar moved to authorize repair of the projects located at 9622 and 9618 Roark's Passage and South Fitzgerald (south side west of Rory Court), as more fully described in the Maintenance Report. Director Kroboth seconded the motion, which passed by unanimous vote.

APPROVE MAINTENANCE AGREEMENT FOR STORM WATER COLLECTION AND DRAINAGE MAINTENANCE SERVICES BETWEEN THE DISTRICT AND TEXAS SERVICES

In connection with a new proposal for additional services and increased fees presented last month by Mr. Koehl, Ms. Lutz reviewed a new contract incorporating additional services, increased fees and insurance requirements language. Following discussion Director Machart moved to approve the new contract with Texas Services, Ltd., as presented. Director Kroboth seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

Mr. Ramsey distributed a Cost Estimate for (i) Bid Package 1 on Proposed Storm Sewer on Unmaintainable and Questionable Cul-de-Sacs in the amount of \$169,000; (ii) Bid Package 2 on Proposed Storm Sewer on Unmaintainable Primary Collectors in the amount of \$271,000; (iii) Bid Package 2 Alternate Bid on Proposed Storm Sewer on Questionable Primary Collectors in the amount of \$184,000; and (iv) Maintainable Cul-de-Sacs in the amount of \$63,000, a copy of which is attached. After review and discussion, Director Morrell moved to authorize Klotz to design the plans and specifications of the Proposed Storm Sewer on Unmaintainable and Questionable Cul-de-Sacs and the Unmaintainable Primary Collectors, less the two items already performed by Texas Services, Ltd., which would reduce the estimate by approximately \$40,000, and (ii) to present the plans and specifications to the City of Missouri City (the "City") for approval. Director Kroboth seconded the motion, which passed unanimously. Mr. Ramsey noted that he will bring a written change order to the engineering proposal for performing such design work at the next meeting. He explained the increase in his engineering proposal was due to having to return to the City for approval of the project. He said that once the City approves the plans, he will request the Board's authorization to advertise for construction bids. Mr. Ramsey reviewed the approximate timeline for construction, noting that engineering will take one month, the City's approval will take one month, and advertising for bids will take one month, estimating that construction will commence in June.

Ms. Lutz inquired about the necessity of a drainage impact study. Mr. Ramsey stated that the drainage will be studied as part of the engineering work Klotz will perform for the Primary Collector Ditch and Unmaintainable Cul-de-Sac Project.

Ms. Lutz noted that the Application to the Texas Commission on Environmental Quality for the Use of Surplus Funds, which will request permission to use approximately \$73,000 in surplus funds to pay for the Primary Collector Ditch and Unmaintainable Cul-de-Sac Project, cannot be submitted until the City approves the plans and specifications for the project.

OPERATION OF DISTRICT FACILITIES, BILLINGS, REPAIRS AND MAINTENANCE

Mr. Wilson presented and discussed the operator's report, a copy of which is attached. He stated there are 1,783 connections in the District. 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 Machart and passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

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 services should not be terminated for reason of non-payment. It was noted that no residents were present to contest delinquent accounts. Following discussion, Director Farrar moved to authorize the termination of delinquent accounts in accordance with the District's Rate Order. The motion was seconded by Director Machart and passed unanimously. A copy of the termination list is attached.

DISCUSS DISTRICT'S WEBSITE MAINTENANCE

Director Morrell inquired about changes to the District's website. After discussion, the Board concurred that questions should be directed to one link that includes all directors' email addresses rather than separate links to each director. Director Morrell stated he would email the suggested changes to ABHR.

RESCHEDULING OF MARCH MEETING

Due to Spring Break, the Board concurred to re-schedule its March meeting to March 9. Mr. Wilson said he would confirm room availability and coordinate with ABHR.

MASTER DISTRICT MATTERS

Ms. Lutz stated she had nothing to report regarding master district matters.

CONVENE IN EXECUTIVE SESSION PURSUANT TO CHAPTER 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, INCLUDING PERMIT PROTESTS

The Board did not convene in Executive Session pursuant to Chapter 551.071 of the Texas Government Code to conduct a private consultation with attorney to discuss pending or contemplated litigation, including permit protests.

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



Secretary, Board of Directors



ACTION LIST

1. Bookkeeper to close Chase Bank accounts and open Compass Bank accounts.
2. Klotz to bring written engineering proposal for design of Primary Collector Ditch and Unmaintainable Cul-de-Sac Project to next meeting.
3. Director Morrell to provide website changes to ABHR.

LIST OF ATTACHMENTS TO MINUTES

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