

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

April 20, 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 20th day of March, 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.

Also present at the meeting were the following: Tom Ramsey of Klotz & Associates, Inc. ("Klotz"); Brad Koehl of Texas Services, Ltd.; Kim Saunders of Tax Tech, Inc.; Shirley McLennan of McLennan & Associates, L.P.; Michael Rusk of LJA Engineering & Surveying, Inc.; Chris Wilson of SWWC Services, Inc. ("SWWC"); and Angie Lutz and Brenda Presser of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board first reviewed the minutes of the meeting held March 9, 2009. After review and discussion, Director Morrell moved to approve the minutes of the meeting held March 9, 2009. Director Machart seconded the motion, which passed unanimously.

RECEIVE PUBLIC COMMENTS

No public comments were received.

APPROVE SECOND AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Lutz stated the District is required to amend its Drought Contingency Plan to comply with new Texas Commission on Environmental Quality requirements. She stated the District's Operator has reviewed the Second Amended and Restated Drought Contingency Plan (the "Plan") and has no recommended changes. After review and discussion, Director Machart moved that the Board adopt an Order Adopting Second Amended and Restated Drought Contingency Plan. Director Kroboth seconded the motion, which carried unanimously.

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

Ms. McLennan stated that Compass Bank has requested the District set an approved limit for the District's Letter of Credit Agreement (the "Agreement") with Compass Bank. The District then discussed setting the approved limit at \$200,000.

Ms. McLennan then reviewed the bookkeeper's report, the District's investment report, and presented checks for approval. After review and discussion, Director Kroboth moved to: (1) approve the bookkeeper's report and investment report; (2) authorize payment of the bills as presented; (3) set a limit in an amount not to exceed \$200,000 for the Letters of Credit used as collateral for the District's deposits; and direct that the reports be filed appropriately and retained in the District's official records. Director Morrell seconded the motion, which passed unanimously.

REVIEW ARBITRAGE REBATE STUDY FOR SERIES 1998 BONDS

Ms. Lutz reported that OmniCap Group, LLC had been engaged to perform and arbitrage rebate study on the District's Series 1998 bonds, and the results of the analysis determined that no amounts are due the IRS. Copies of the reports were distributed to the Board and a copy is also attached hereto. Following discussion, Director Morrell moved to approve and accept the Arbitrage Rebate Study for the Series 1998 Bonds and direct that the report be filed appropriately and retained in the District's official records. Director Farrar 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 Machart moved to (1) approve the tax assessor/collector's report; (2) direct that it be filed appropriately and retained in the District's official records; and (3) authorize payment of bills. Director Farrar 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 1) monitor conditions on North Fitzgerald (south side east of Oakland Court) and defer repairs at this time; 2) authorize recommended repairs at 8915 South Fitzgerald; and 3) clean out silt, without adding flowable fill, for an amount not to exceed \$250 at 3906 North Barnet Way, as more fully described in the Maintenance Report. Director Morrell seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

Mr. Ramsey updated the Board regarding additional storm sewer improvements in Steep Bank Trace.

Mr. Ramsey distributed an update on the Steep Bank Storm Sewer Improvements noting reviews by the City of Missouri City, a copy of which is attached. Mr. Ramsey discussed advertising this project for bids and awarding at the District's next meeting. He anticipated completion of the Project by September, 2009. Ms. Lutz noted that Mr. Ramsey would need to prepare an amended special projects budget prior to the District awarding this Project. Following discussion, Director Machart moved to authorize Klotz to advertise bids for the project and authorize consultants to meet in a special meeting to amend the special projects budget to accommodate funding the project. Director Morrell seconded the motion, which passed unanimously.

Mr. Ramsey next updated the Board on the status of finalizing the Phase III, and reported the City of Missouri City ("City") is requesting a copy of Bid Tab, which he has requested from ABHR for transmittal to the City.

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 1,784 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.

MASTER DISTRICT MATTERS

Ms. Lutz discussed Master District matters and the fluoride removal construction project.

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



LIST OF ATTACHMENTS TO MINUTES

	Minutes <u>Page</u>
bookkeeper's report.....	2
arbitrage rebate study on the District's Series 1998 bonds	2
tax assessor/collector's report	2
Maintenance Report for maintenance and repairs of rehabilitated ditches	3
update on the Steep Bank Storm Sewer Improvements.....	3
operator's report.....	3
termination list	4