

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

April 15, 2014

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in special session, open to the public, on the 15th day of April, at the Pecan Grove MUD Customer Service Office at 2035 FM 359, Suite 13 Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Randy Vance	President
Kirk Boyd	Vice President
Buddy Kluppel	Secretary
John Minchew	Assistant Secretary
Chad Howard	Assistant Vice President/ Assistant Secretary

and all of the above were present.

Also present at the meeting were Scott Saenger of Jones & Carter, Inc. ("J&C"); Lynne Humphries of Allen Boone Humphries Robinson LLP ("ABHR"); Judge Robert Hebert of Fort Bend County (the "County"); and Mark Vogler of Fort Bend County Drainage District (the "Drainage District").

Director Vance called the meeting to order.

UPDATE ON FORT BEND COUNTY DRAINAGE MANAGEMENT AND
ADMINISTRATION; COOPERATIVE EFFORTS BETWEEN FORT BEND COUNTY
AND THE DISTRICT

Judge Hebert thanked the Board for agreeing to meet with him and Mr. Vogler. He stated he understands the differences, powers and authorities between municipal utility districts and levee improvement districts. He discussed the importance of cooperation between the District and the County, especially with regard to emergency flood fighting efforts.

Judge Hebert discussed with the Board the County's participation in flood plain protection and management, National Flood Plain Insurance ("NFIP") (which comes up for Federal legislative re-authorization in 2017), continued legislative effects, and other drainage management entities and authorities with jurisdiction over the County with regard to flood management and drainage. He discuss the County's request that all levees in Fort Bend County be maintained to 44 CFR§65.10 standards. He said that the

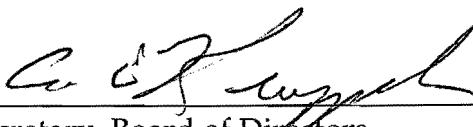
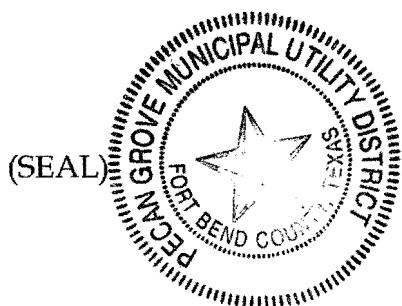
Drainage District will do advisory inspections approximately every 3 years. Judge Hebert asked the District to participate in the County's cooperative emergency efforts and commit to consider making repairs identified in the County's advisory inspections. Director Klappel said the District's levee does meet the 44 CFR§65.10 standards for certification, which Mr. Saenger confirmed. Director Klappel stated although the District's levee meets all certifications, the District will not participate in the USACE RIP standards.

FLOOD DAMAGE PREVENTION ORDINANCE

Ms. Humphries explained to the Board the District's Flood Damage Prevention Ordinance (the "Ordinance") was timely filed with Federal Emergency Management Agency ("FEMA") to insure the properties in the District can continue to participate in the NFIP. Mr. Vogler mentioned that, under new County criteria, new levees must have FEMA freeboard standards plus 1 foot and all new levees must prove no impact to the Brazos River floodplain.

Mr. Vogler discussed emergency supplies and operations. He said the Drainage District will have limited supplies and personnel and each District must be prepared for emergency situations. He also requested an inventory of emergency supplies for coordination efforts. Discussion ensued regarding emergency supply cooperation efforts.

The Board thanked Judge Hebert and Mr. Vogler for attending the meeting. There being no additional business to discuss, the meeting was adjourned.



Secretary, Board of Directors