

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

April 15, 2015

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 Country Club, Highway 359 at Plantation Drive, Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Chad Howard	President
Ryan Yokubaitis	Vice President
Buddy Kluppel	Secretary
Randy Vance	Assistant Vice President/ Assistant Secretary
Kirk Boyd	Assistant Vice President/ Assistant Secretary

and all of the above were present.

Also present at the meeting were residents of the District listed on Exhibit A attached hereto and Mark Heath, Pat Hughes, Chuck Bertrand and Chief Joe Woolley of Pecan Grove Volunteer Fire Department (the "PGVFD"); Chief Mike Youngblood of the City of Richmond Fire Department (the "City"); and Lynne Humphries, Whitney Ables and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

Director Howard opened the meeting at 6:05 p.m. and welcomed attendees. Ms. Humphries provided information regarding Fort Bend County's proposed "Vote Center" and public information sessions regarding same.

FIRE PROTECTION SERVICES AGREEMENT WITH PECAN GROVE VOLUNTEER DEPARTMENT AND WITH CITY OF RICHMOND

The Board first considered the most recent version of the proposed District's Fire Protection Agreement with the City. Ms. Humphries commented that the City's administrative staff has approved this draft and will submit this version to the City Commissioners on Monday, April 20, 2015 at 4:30 p.m.

The Board next considered the most recent version of the District's proposed Fire Protection Agreement with the PGVFD. Director Vance moved to strike Sections 2(b) and 2(c) of the proposed Fire Protection Agreement. He said the PGVFD Board met last week and requested those sections be removed. Mr. Bertrand said the PGVFD Board passed a resolution to request the Board remove those sections, which include service to Fort Bend County Municipal Utility District No. 118 ("Waterside"). Discussion began regarding the Board's prior discussion about service to Waterside by the PGVFD at the

regular meeting on March 31, 2015. Director Howard expressed concern that District voters would not support/vote for a fire plan that subsidized Waterside fire service. Ms. Humphries reviewed the provisions of Sections 2(b) and 2(c) with the Board and reminded Director Howard there was a motion on the table that had not been seconded. Director Boyd then seconded Director Vance's motion.

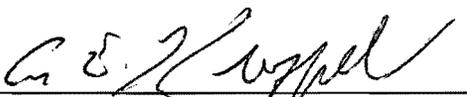
Chief Woolley said PGVFD is on Waterside's April 27, 2015 meeting agenda to discuss a proposed fire plan. Ms. Humphries discussed the average time the TCEQ takes to review and approve a fire plan once a fire plan is filed and declared administratively complete. She also discussed deadlines for calling elections and current general election dates. Additional discussion ensued regarding Waterside's options for fire protection if not served by the PGVFD, Waterside's contribution rates and PGVFD's budget. Following discussion, the Board voted 1 for and 4 against Director Vance's motion to strike Sections 2(b) and 2(c) of the District's proposed Fire Protection Agreement with PGVFD; therefore, the motion failed. Director Vance expressed displeasure with the Board's vote and discussion. Director Kluppel then moved to approve the District's proposed Fire Protection Agreement with PGVFD, as presented. The motion, which was seconded by Director Boyd, passed by a vote of 4 to 0, with Director Vance abstaining from voting. Mr. Bertrand then stated the Board of the PGVFD had actually approved the Agreement, as presented, anticipating the Board's decision not to remove Sections 2(b) and 2(c) and authorized the President to sign the Agreement.

The Board then considered the District's proposed Fire Protection Agreement with the City and Director Kluppel moved to approve the District's proposed Fire Protection Agreement with the City, as presented. Director Boyd seconded the motion, which passed by a vote of 4 to 1, with Director Vance voting against the motion.

Discussion ensued regarding a plan of action if the City does not approve the District's proposed Fire Protection Agreement. Following further discussion, Director Boyd moved to authorize ABHR, in the event the City does not approve the proposed Fire Protection Agreement, to revise the District's proposed Fire Protection Agreement with the PGVFD to have PGVFD serve all residents/property in the District, including all commercial property and Pecan Lakes. Director Yokubaitis seconded the motion which passed by a vote of 4 to 0, with Director Vance abstaining from voting.

The Board then concurred to hold a special meeting on Friday, April 24, 2015 at 8:30 a.m. at the District Office to consider any revisions proposed by the City to the District's proposed Fire Protection Agreement and to approve, if necessary, the revised Agreement with the PGVFD to serve all of the District if the City does not approve the Agreement.

There being no additional business to consider, the meeting was adjourned.


Secretary, Board of Directors

(SEAL)

