

MINUTES  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

January 11, 2013

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in regular session, open to the public, on the 11<sup>th</sup> day of January, 2013, at the Pecan Grove MUD Customer Service Office, 2035 FM 359, Suite 13, Richmond, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

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

and all of the above were present, with the exception of Director Kluppel, thus constituting a quorum.

Also present at the meeting were Bethany Miller of Jones & Carter, Inc. ("J&C"); and Lynne Humphries and Hannah Brook of Allen Boone Humphries Robinson LLP ("ABHR").

SURFACE WATER TREATMENT PLANT

Ms. Miller updated the Board on the repair of raw water pump nos. 2 and 3 failed and the status of scheduling and completing all staff training related to raw water storage. The Board discussed the option to include an upgrade screen option for the raw water pumps and requested authorization for the additional expenditure to be paid for by the District.

Following review and discussion, Director Boyd moved to authorize the additional expenditure in an amount not to exceed \$5,000 for the upgrade to the raw water pump screening. The motion, which was seconded by Director Vance, passed unanimously.

The Board also discussed heating, ventilation, and air conditioning ("HVAC") issues noted by Director Vance upon inspection. Ms. Miller agreed to discuss the issues related to the HVAC system with LEM and Arcadis.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION OR A SETTLEMENT OFFER

The Board did not convene in executive session to discuss pending or contemplated litigation or a settlement offer.

There being no further business to conduct, the meeting was adjourned.

(SEAL)



  
Secretary, Board of Directors