

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

June 7, 2011

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in special session, open to the public, on the 7th day of June, 2011, at the Pecan Grove 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:

Joe Taylor	President
Richard Stolleis	Vice President
G. E. Kluppel	Secretary
John Minchew	Assistant Vice President/ Assistant Secretary
Kevin Krahn	Assistant Vice President/ Assistant Secretary

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

Also present at the meeting were Jason Kirby of Jones & Carter, Inc. ("J&C"); Doug Owen of Environmental Development Partners, L.L.C. ("EDP"); Sheldon Buck and Sunil Kommineni of Malcolm Pirnie, Inc. ("Malcolm Pirnie"); Hardy Thomas, Chad Hagland, and Mark McCulla of Pecan Grove Baptist Church; Keith Dickinson and Jim Keller, residents of the District; Dominic Cashiola of Classic Messaging LLC; and Hannah Brook of Allen Boone Humphries Robinson LLP ("ABHR").

CONVENE IN EXECUTIVE SESSION PURSUANT TO THE SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

At 5:20 p.m., Director Taylor announced that the Board would convene in executive session to deliberate the purchase, exchange, lease, or value of real property.

Director Minchew left the meeting. Director Krahn entered the meeting.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

Director Taylor announced the Board would reconvene in open session at 6:20 p.m. The Board took no action.

APPROVE PRIMARY INTERLOCAL AGREEMENT BETWEEN FORT BEND COUNTY AND THE DISTRICT

After review and discussion, Director Kluppel moved to (1) approve a Primary Interlocal Agreement between Fort Bend County and the District and direct that the

Agreement be filed appropriately and retained in the District's official records and (2) authorize Director Taylor, as President of the Board of Directors, to coordinate projects that are the subject of the Interlocal Agreement. Director Krahn seconded the motion, which passed unanimously.

DISCUSS AND AUTHORIZE CONTRACT WITH CLASSIC MESSAGING LLC FOR MESSAGING SERVICES

After review and discussion, Director Krahn moved to authorize a contract between the District and Classic Messaging LLC and direct that the contract be filed appropriately and retained in the District's official records. Director Kluppel seconded the motion, which passed unanimously.

CONVERSION TO SURFACE WATER

Mr. Buck discussed the construction of the surface water treatment plant and estimated completion dates. The Board discussed the delay of the project and the terms of the contract related to liquidated damages. Mr. Kirby discussed the status of the transmission line construction and the current status of the line adjacent to the Pecan Grove Country Club. The Board requested that J & C coordinate a meeting with the Pecan Grove Country Club and their new general manager.

CONVENE IN EXECUTIVE SESSION PURSUANT TO THE SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

At 7:00 p.m., Director Taylor announced that the Board would convene in executive session to deliberate the purchase, exchange, lease, or value of real property.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

Director Taylor announced the Board would reconvene in open session at 7:10 p.m. The Board took no action.

CONVERSION TO SURFACE WATER AND TOUR OF PLANT

The Board then conducted a tour of the surface water treatment plant.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)

Secretary, Board of Directors