

MINUTES  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

November 13, 2008

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in special session, open to the public, on the 13th day of November, 2008, 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:

Joe Taylor	President
Stephen Crow	Vice President
G.E. Kluppel	Secretary
Richard Stolleis	Assistant Vice President/ Assistant Secretary
John Minchew	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"); Andrew Phelps of Environmental Development Partners, L.L.C. ("EDP"); Eric Spencer, a resident of the District; and Hannah Brook of Allen Boone Humphries Robinson LLP ("ABHR").

ADOPT ORDER CANVASSING RETURNS AND DECLARING RESULTS OF BOND ELECTION

Director Taylor reviewed the election returns and stated that the election resulted in a majority vote in favor of the Proposition and the District has been authorized to issue bonds and refunding bonds in the maximum amount of \$24,300,000 and levy taxes in payment of the bonds and the refunding bonds. Ms. Brook reviewed the Order Canvassing Returns and Declaring Results of Bond Election. After review and discussion, Director Crow moved to adopt the Order Canvassing Returns and Declaring Results of Bond Election, and direct that the Order be filed appropriately and retained in the District's official records. Director Kluppel seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Brook reviewed the Amendment to the Information Form with the Board. She stated that the Amendment adds the new principal amount of bonds and refunding bonds which have been authorized. Ms. Brook stated that the Amendment to the Information Form will be recorded in the Official Property Records of Fort Bend County and be filed with the Texas Commission on Environmental Quality ("TCEQ"). After

review and discussion, Director Crow moved to authorize execution of the Amendment to the Information Form and direct that the Amendment be filed appropriately and retained in the District's official records. Director Kluppel seconded the motion, which passed unanimously.

AUTHORIZE ENGINEER TO DESIGN LEVEE IMPROVEMENTS FOR PECAN LAKES TO MEET FEMA REQUIREMENTS

Mr. Kirby discussed the design of levee improvements for Pecan Lakes. After review and discussion, Director Kluppel moved to authorize the engineer to design the levee improvements for Pecan Lakes. Director Crow seconded the motion, which passed by unanimous vote. The Board directed Jones & Carter, Inc. to provide a cost estimate and an estimated budget for the design and engineering costs for review at the next regular meeting.

AUTHORIZE ENGINEER TO PREPARE BOND APPLICATION

After discussion, Director Crow moved to authorize the engineer to prepare the bond application. Director Kluppel seconded the motion, which passed unanimously.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS

Mr. Kirby discussed the status of improvements planned for the Pecan Grove levee. Discussion ensued regarding staging areas and entry points during construction. The Board discussed notifications to residents prior to the construction phase. The Board directed Jones & Carter, Inc. to provide an estimated budget for the Pecan Grove levee improvements for review at the next regular meeting.

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

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Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

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None.