

MINUTES OF SPECIAL MEETING  
BOARD OF DIRECTORS  
PECAN GROVE MUNICIPAL UTILITY DISTRICT

February 23, 2006

The Board of Directors of Pecan Grove Municipal Utility District met in special session, open to the public, at 6:00 p.m. on Thursday, February 23, 2006, outside the boundaries of the District at the Pecan Grove MUD Customer Service Office, 1421 FM 359, Suite D, Richmond, Texas 77469, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Joe Taylor	President
Stephen Crow	Vice President
G.E. Kluppel	Secretary
Charles Bertrand	Investment Officer
Holly E. Zarate	Assistant Vice President/ Assistant Secretary

and all of said directors were present, thus constituting a quorum.

Also present were the following: Mark McGrath of Null-Lairson, P.C.; Shirley McLennan of McLennan & Associates; and Clyde King of the Fort Bend Herald.

CONDUCT ANNUAL REVIEW OF BOOKKEEPER'S CONTRACT AND AUTHORIZE APPROPRIATE ACTION

The Board discussed the performance of McLennan & Associates, L.P. as the District's bookkeeper. The Board expressed its appreciation for the hard work and job well performed by Ms. McLennan, Ms. Mihills and the staff of McLennan & Associates, L.P. Ms. McLennan discussed an increase of \$100.00 a month to the fee in the current contract. After review and discussion, Director Kluppel moved that the Board approve an amendment to the bookkeeper's contract to reflect an increase of \$100.00 in the monthly fee. Director Crow seconded the motion, which passed unanimously.

CONDUCT ANNUAL REVIEW OF AUDITOR'S CONTRACT AND AUTHORIZE APPROPRIATE ACTION

The Board discussed the performance of Null-Lairson, P.C. as the District's auditor. Mr. McGrath stated that there would be no change in the audit fee next year. The Board expressed its appreciation for the hard work and job well performed by Null-Lairson, P.C. on the audit.

CONDUCT ANNUAL REVIEW OF ATTORNEY'S CONTRACT AND AUTHORIZE APPROPRIATE ACTION

The Board tabled discussion on this agenda item.

DISCUSS SOLICITATION OF PROPOSALS FOR OPERATOR SERVICES AND EFFECTIVE DATE OF TERMINATION OF OPERATOR'S CONTRACT WITH ECO RESOURCES, INC. AND AUTHORIZE APPROPRIATE ACTION

The Board tabled discussion on this agenda item.

RECEIVE REPORTS FROM BOARD MEMBERS AND AUTHORIZE APPROPRIATE ACTION

The Board concurred to conduct a special meeting on March 8, at 6 p.m. at the Pecan Grove Municipal Utility District Customer Service Office to conduct an annual review of the attorney's contract and discuss requests for qualifications for operator services.

Director Zarate stated that the Board authorized Allen Boone Humphries Robinson LLP to file a report with the Fort Bend County Sheriff's office on the levee damage caused by CenterPoint's subcontractor North Houston Pole ("NHP") during their installation of new power poles. The Board concurred that ABHR should not send a letter to the Sheriff's office. The Board requested that the operator notify the Fort Bend County Sheriff's office of the levee damage caused by NHP. Director Zarate stated that she would contact Mr. Brandenburg regarding the request from the Board.

Director Taylor reported that he had met with Mr. Henry, who has property adjacent to the south side of the drainage channel outfall at Jones Creek. He added that Mr. Henry had requested that the District consider installing sheet piling to protect his property. Director Taylor informed Mr. Henry that he should take measures to protect his property and that the District was taking measures to protect the District's outfall. Director Taylor informed Mr. Henry that he would discuss Mr. Henry's request with the Board.

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



  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes  
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None