

MINUTES
PECAN GROVE MUNICIPAL UTILITY DISTRICT

May 8, 2018

The Board of Directors (the "Board") of Pecan Grove Municipal Utility District (the "District") met in special session, open to the public, on the 8th day of May, 2018 at the Pecan Grove Customer Service Office, 2035 FM 359, Suite K, 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
G.E. "Buddy" Kluppel	Secretary
Stephen D. Crow	Assistant Secretary/ Assistant Vice President
Charles D. Bertrand	Assistant Vice President/ Assistant Secretary

and all of the above were present, except Directors Crow and Bertrand, thus constituting a quorum.

Also present at the meeting was Jean Gobar, resident of the District; Howard Katz and Chief Joe Woolley of Pecan Grove Volunteer Fire Department ("PGVFD"); Megan Crutcher and Mark Hodges of Odyssey Engineering ("Odyssey"); and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PROPOSAL FOR GEOTECHNICAL SURVEY

Ms. Crutcher requested authorization to obtain a second geotechnical survey and analysis of Jones Creek and discussed surveyors recommended by the Fort Bend County Drainage District who have worked with slope erosion issues along waterways in Fort Bend County. She also discussed survey and analysis method options. Following review and discussion, Director Kluppel moved to (1) authorize a second geotechnical survey and analysis, as discussed, for an amount not to exceed \$35,000; and (2) authorize the Board President to execute any associated proposal. The motion was seconded by Director Yokubaitis and passed unanimously. Additional discussion ensued regarding the District's pending application for funding of necessary Jones Creek slope repairs through the National Resources Conservation Service ("NRCS").

EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE

The Board determined it was not necessary to convene into execute session pursuant to Section 551.074, Texas Local Government Code.

PECAN GROVE VOLUNTEER FIRE DEPARTMENT MATTERS

Chief Woolley and Mr. Katz discussed the PGVFD’s plans to finance the acquisition of firefighting equipment (a new fire engine truck) with a tax exempt promissory note pursuant to Sec. 147(f) and Sec. 150 (e) of the Internal Revenue Code . Following discussion, upon a motion by Director Howard and a second by Director Kluppel, the Board expressed its support of PGVFD’s intent and voted unanimously to schedule a public hearing for the PGVFD on June 5, 2018 at 6:00 p.m.

RESIGNATION AND NEW DIRECTOR MATTERS

Director Howard said he was moving from the District and submitted his resignation from the Board of Directors.

Following discussion, Director Kluppel moved to (1) accept the resignation of Chad Howard from the Board of Directors; (2) appoint Jean Gobar to fill the vacancy created by the resignation of Chad Howard and complete the remainder of his term of office; and (3) approve the Sworn Statement, Oath of Office and Official Bond for Director Gobar. The motion was seconded by Director Howard and passed unanimously.

ORDER CANVASSING RETURNS AND DECLARING RESULTS OF DIRECTORS ELECTION

The Board reviewed the official results of the May 5, 2018 Directors Election reported by the Fort Bend County election office:

Ballot Position	Name	Total Votes
1	Elizabeth Waltz	124
2	G.E. "Buddy" Kluppel	394
3	Ryan Yokubaitis	490
4	Todd Johnson	35
5	John Minchew	218

The Board reviewed a Certificate of Election, reflecting the election of Ryan Yokubaitis and G.E. "Buddy" Kluppel to the Board of Directors of the District, each for a four-year term.

The newly elected Directors then took their Sworn Statements, Oaths of Office, and Official Bonds.

After review and discussion, Director Kluppel moved to (1) adopt the Order Canvassing Returns and Declaring Results of Directors Election, reflecting that Ryan Yokubaitis and G.E. "Buddy" Kluppel have been elected to the Board of Directors to serve a four-year term, and direct that the Order Canvassing be filed appropriately and retained in the District's official records; (2) approve the Certificate of Election and the distribution of same to Directors Yokubaitis and Kluppel, and direct that the Certificate of Election be filed appropriately and retained in the District's official records; (3) approve the Sworn Statements, Official Bonds and Oaths of Office and direct that the documents be filed in the official records of the District, and that the Oaths of Office be filed with the Secretary of State, as required by law; and (4) authorize the results and announcement of Chad Howard's resignation and Jean Gobar's appointment on the District's website. Director Gobar seconded the motion, which passed by unanimous vote.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING

Ms. Humphries stated State Law requires each elected public official to complete a course of training regarding responsibilities of the governmental body and its members under the Texas Open Meetings Act, Chapter 551. Ms. Humphries stated Director Gobar must complete training within 90 days of taking her oath of office. No action was necessary for this agenda item.

CONFLICT OF INTEREST DISCLOSURE

Ms. Humphries stated a Director must disclose if he or she has a current business relationship with any contractor or consultant doing business with the District if that relationship results in either gifts (as defined in the Law) in excess of \$100 or taxable income of \$2,500 or more to the Director or his immediate family, or if he has a family relationship with a District vendor. She stated disclosure forms must be filed in such cases. No action was necessary for this agenda item.

REORGANIZE THE BOARD

The Board considered reorganizing. Following discussion, Director Kluppel moved to reorganize the Board as follows:

Ryan Yokubaitis	President
Stephen D. Crow	Vice President
G.E. "Buddy" Kluppel	Secretary
Jean Gobar	Assistant Secretary
Charles D. Bertrand	Assistant Vice President

Director Gobar seconded the motion, which passed by unanimous vote.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing an updated District Registration Form with the Texas Commission on Environmental Quality (“TCEQ”), reflecting the terms of the newly elected directors, the appointed director and the reorganization of the Board. Following review and discussion, Director Kluppel made a motion to (1) authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District’s official records; and (2) authorize posting of election results, updated Director offices, new Directors and Director Howard’s resignation on the District website. Director Gobar seconded the motion, which passed by unanimous vote.

EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

Director Yokubaitis announced the Board would convene in executive session at 9:29 a.m. to conduct a private consultation with the District’s attorney. ABHR was present during executive session, Britt Harris, the District’s litigation counsel, participated via conference call and Ms. Crutcher was present for a portion of executive session.

Ms. Crutcher left executive session at 9:43 a.m.

RECONVENE IN OPEN SESSION AND APPROVE PROPOSAL FOR GEOTECHNICAL SURVEY OF JONES CREEK

The Board reconvened in regular session at 10:39 a.m. Following discussion in executive session, upon a motion by Director Kluppel and a second by Director Gobar, the Board voted unanimously to approve an additional engagement letter with Harris Hillburn, LP, as discussed in executive session.

There being no additional business to consider, the meeting was adjourned at 10:41 a.m.

(SEAL)



G. E. Kluppel
Secretary, Board of Directors