

MINUTES OF SPECIAL MEETING OF BOARD OF DIRECTORS
November 8, 2011

THE STATE OF TEXAS
COUNTY OF FORT BEND FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 81

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 81 (the "District") met in special session, open to the public, at the Fort Bend County Commissioner Precinct 3 Office Building, 8100 Highway 359 South, Fulshear, Texas 77441, on November 8, 2011, at 9:00 a.m.; whereupon roll was called of the directors, to-wit:

J.B. DuBois, Jr., President
Robert Machen, Vice President
Victor J. Zdunkewicz, Secretary
Joseph Ray LeBlanc, Assistant Secretary
Robert Pfaffenberger, Treasurer

All members of the Board were present except Director Pfaffenberger. Also present were Mr. Kenneth Martinec of Jones & Carter, Engineers for the District; and Mr. Bill Hill, a resident and volunteer to plan landscaping for the new well at Water Plant #1 (Well # 4).

The meeting was called to order and, in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as *Exhibit A*, the following business was transacted:

1. **Review Base Plot Plan and Engineering design for new water well at Water Plant # 1.** Mr. Martinec reviewed with the Board the Base Plot Plan, and suggested that the Board release to Sierra that portion of the present entry easement that will not be needed in the well expansion project, and that it request that Sierra trade the released amount for release of the triangular balance of the existing entry easement which is approximately 600 square feet. It was noted that Sierra owes the District \$2,000 from the prior transaction. Mr. Martinec reported that the 600 square feet is needed as part of the expansion project. President DuBois and Director Machen noted that they will discuss the matter with Sierra. Mr. Martinec also discussed the release of a small triangular piece and the realignment of the fence to form a more uniform tract.

Mr. Martinec noted that the District also needed a Sanitary Control Easement from Sierra and the owner of Lot # 1. Mr. Martinec noted he will prepare an exhibit showing the portion of the existing entry easement to be released to Sierra, the updated triangular tract to be acquired by MUD 81, and the Sanitary Control Easement to be acquired from Sierra. Mr. Martinec advised the Board that he will handle acquisition of the Sanitary Control Easement from the owner of Lot #1. Mr. Martinec reported on the Bond process, and advised the Board that he received TCEQ approval of the Application for the Bond Issue, but that the TCEQ

advised that substantial funds must be escrowed until an "Application for Release of Funds" be executed and approved by TCEQ.

The Board then made a conference call with the Financial Advisor for the District, Ms. Anthea Moran of First Southwest. Ms. Moran advised the Board that a "Preliminary Official Statement" will be presented to the Board at the November 22, 2011 regular meeting for the Board approval. It was the consensus of the Board to hold a special meeting at 12:00 noon on December 13, 2011 at the offices of Fulbright & Jaworski, L.L.P. for the sale of the bonds and other related matters. Ms. Moran reported to the Board that the process will take until January 12 or 13, 2012 to receive the funds. Ms. Moran reported that the Board could make application to the TCEQ for the release of the escrowed funds during the issuance of the Bonds. Ms. Moran advised that the Board not award contracts until the Board has the funds; but if necessary, the Board can use Operating Funds to initiate the project. Mr. Martinec noted that the contractor could hold bids for 90 days. The Board took no action.

2. **Review Landscaping Plan.** The Board received and reviewed a Landscaping Plan proposed by resident Mr. Bill Hill. The plan suggested that tall evergreen-type shrubs surround the entry of the plant, as well as trees where practical. Mr. Hill was advised by the Board that the landscaping plan will take place after the well is completed and the fences erected. It was the consensus of the Board to not include landscaping in the construction contract. Upon motion made by Director Machen, seconded Director LeBlanc, after full discussion and the question being put to the Board, the Board voted unanimously to authorize the advertisement of the project and to implement the landscaping plan as presented by Mr. Hill.

3. **Other business matters.** President DuBois reported that the VLI matter will be on the agenda for the November 22, 2011 meeting for discussion, and at their January meeting discussions will be held concerning having the Consultants be a part of the Water Smart program. He noted that discussion will be held regarding the development of a program to encourage water conservation among Municipal Utility Districts. Director Machen noted that he will contact Harlan Wunsch to discuss the Pecan Lake drainage program and the damage of a drain pipe at the Lake. Director Machen noted he will then report to Director Zdunkewicz who will contact POA president Mr. Van Beustring in order to discuss measures taken to repair the drain pipe.

Upon motion made by Director LeBlanc, seconded Director Machen, after full discussion and the question being put to the Board, the Board voted unanimously to adjourn the meeting.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and forgoing minutes were passed and approved by the Board of Directors on November 22, 2011.

President, Board of Directors

ATTEST:

Secretary, Board of Directors