

MINUTES OF SPECIAL MEETING  
OF  
CYPRESS FOREST PUBLIC UTILITY DISTRICT

August 9, 2006

THE STATE OF TEXAS §  
§  
COUNTY OF HARRIS §

The Board of Directors of Cypress Forest Public Utility District, Harris County, Texas, met in special session, open to the public, on the 9th day of August, 2006, at the Cypress Forest Public Utility District's Administrative Building, 16215 Champion Forest Drive, Spring, Texas 77379, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Michael J. Lynch, Jr.	President
Thomas J. Petrick	Vice President
Deborah L. Jackson	Secretary
William J. Lawrence	Assistant Vice President
Linn Jensen Smyth	Assistant Secretary

all of said Directors were present except for Director Lawrence, thus constituting a quorum.

Also present at the meeting were the following: Tony Kindred of Raveneaux Country Club; Mark D. Jordan of Kera Development, LP; Tim Green of Coats, Rose, Ryman & Lee PC; Gary Wilson of Wilson Architectural Group; Salim Joubran of Pepe Engineering, Ltd. ("Pepe"); Stephen M. Robinson of Allen Boone Humphries Robinson LLP ("ABHR"); and persons listed on the attached attendance sheet.

Director Lynch called the meeting to order, welcomed everyone, and described the District's meeting procedures.

RECEIVE PROPOSAL FOR PROPOSED DEVELOPMENT PROJECT, DISCUSS  
POTENTIAL ANNEXATION AND AUTHORIZE APPROPRIATE ACTION

Mr. Kindred reviewed a proposal for development of a portion of the Raveneaux Country Club tract, a copy of which is attached. He requested that the District agree to the following proposal: 1) the District and the tract owners to enter into an agreement to annex a portion of the Raveneaux Country Club tract not currently located within the boundaries of the District; 2) the District to provide 500 equivalent single family

connections of water and sanitary sewer capacity for the development, as needed; and 3) the District to call a bond election to reimburse the tract owners for constructed water, sanitary sewer, and drainage infrastructure facilities serving the development project without increasing the tax rate.

Mr. Kindred stated that the Country Club will continue to be a private club and that the course will be a 27-hole facility. He reviewed Phase One and Final Phase land plans, copies of which are attached, including relocation of the pool and tennis courts, construction of a new practice range, extension of Champions Drive, construction of two buildings containing a total of 72 brownstone units, and construction of a clubhouse on the current clubhouse location with 28 to 30 hotel rooms, a spa/wellness center, and 60 condominium units. He reviewed an example rendering of the brownstone units, a copy of which is attached.

Mr. Kindred stated that approximately seven acres of the current Raveneaux County Club tract are located within the District and that approximately 42.5 acres are proposed for annexation in the development project. He stated that the estimates for proposed Phase One development are \$4,600,000 for construction of the utilities infrastructure, \$4,000,000 of which is reimbursable to the land owners, and \$114,000,000 in new assessed value. He stated that estimates for the proposed second phase development are \$2,000,000 for construction of the utilities infrastructure, all of which is reimbursable to the land owners, and \$175,000,000 in new assessed value. He requested that the Board consider holding a bond election on the November 2006 general election date.

Mr. Kindred stated that the plans are for the mid-rise condominiums to be constructed at five stories, the brownstones to be constructed at three to four stories, and the clubhouse to be constructed at eight stores. He stated that no detention or channel facilities are included in the proposed development for maintenance by the District.

Mr. Robinson discussed the process for a proposed annexation of a development tract into the District and reviewed a draft letter agreement with the property owners. The Board requested that additional documents and information be provided by the property owners. Following review and discussion, Director Jackson moved that the Board authorize ABHR to revise the letter agreement with the property owners as discussed and request a deposit in the amount of \$25,000 for the costs of the process for the proposed annexation. Director Smyth seconded the motion, which was approved by unanimous vote.

Director Smyth moved that Director Petrick be placed onto the Board's annexation committee with Director Jackson. Director Jackson seconded the motion, which was approved by unanimous vote.

The Board concurred to hold a special meeting on August 18, 2006, at 9:00 a.m. to consider the revised letter agreement with the property owners and to solicit additional input from residents. The annexation committee concurred to hold a meeting with Mr. Robinson prior to the meeting.

There being no other matters to come before the Board, the meeting was adjourned

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE FOR THE MINUTES OF THE AUGUST 9, 2006, BOARD MEETING]

---

Secretary, Board of Directors

(SEAL)

### ACTION ITEMS

- Special meeting scheduled on August 18, 2006, at 9:00 a.m. to consider the revised letter agreement with the property owners. The annexation committee concurred to hold a meeting with Mr. Robinson prior to the meeting.

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
attendance sheet .....	1
proposal for development .....	1
Phase One and Final Phase land plans .....	2
example rendering of the brownstone units .....	2