

MINUTES OF SPECIAL MEETING
OF
CYPRESS FOREST PUBLIC UTILITY DISTRICT

May 16, 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 16th day of May, 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:

| | |
|-----------------------|--------------------------|
| Roger P. Balog | President |
| Michael J. Lynch, Jr. | Vice President |
| Thomas J. Petrick | Secretary |
| William J. Lawrence | Assistant Vice President |
| Deborah L. Jackson | Assistant Secretary |

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

Also present at the meeting was Kimberly Courte of The Essential Group.

ADOPT ORDER CANVASSING RETURNS AND DECLARING RESULTS OF DIRECTORS ELECTION

The Board concurred to table this item pending the results of the Provisional Ballots.

CONSIDER CORRECTED INSURANCE PROPOSAL FOR PROPERTY COVERAGE

Ms. Courte next reviewed a corrected insurance proposal for property coverage, a copy of which is attached. She stated that the revisions include changes only to the property and flood zone status and there were no changes in the premium. Following review and discussion, Director Jackson moved that the Board accept the corrected insurance proposal. Director Lynch seconded the motion, which was approved by unanimous vote.

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

(SEAL)

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

| | Minutes |
|------------------------------------|-------------|
| | <u>Page</u> |
| corrected insurance proposal | 1 |