

MINUTES OF SPECIAL MEETING
OF
CYPRESS FOREST PUBLIC UTILITY DISTRICT

February 14, 2007

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 14th day of February, 2007, 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, thus constituting a quorum.

Also present for all or part of the meeting was Ross Richardson of the Champion Forest Maintenance Fund, Inc.

DISCUSS OPERATIONS OF KLEINWOOD REGIONAL WASTEWATER TREATMENT
PLANT AND JOINT POWERS BOARD MEETING

The Board reviewed a Notice of Intent to Sell Wastewater Treatment Capacity from Cy-Champ PUD for the sale of 100,000 gallons per day at \$5.00 per gallon. Following review and discussion, Director Jackson moved that the Board decline to purchase the available wastewater treatment capacity. Director Petrick seconded the motion, which was approved by majority vote, with Director Smyth opposed.

WCA GARBAGE COLLECTION SERVICES CONTRACT

The Board next reviewed a request from WCA for an additional increase of \$1.00 per connection to offset increased costs. Discussion ensued regarding the terms of the District's contract with WCA and items included in the CPI-U. Following discussion,

Director Lawrence moved that the Board deny the request. Director Petrick seconded the motion, which was approved by unanimous vote.

Director Petrick moved that the District absorb the rate increase of \$0.55 per month, from \$10.50 to \$11.05 per connection, based on the most recently published Consumer Price Index for Urban Consumers ("CPI-U") data, as provided for in the existing Residential Solid Waste Collection Contract and not amend the Rate Order. Director Smyth seconded the motion, which was approved by unanimous vote.

AEI PROPOSAL FOR WATER REUSE FEASIBILITY STUDY

The Board next reviewed a proposal from AEI Engineering, Inc. in an amount not to exceed \$12,500.00 for engineering services to perform a preliminary evaluation of a proposed effluent reuse system, a copy of which is attached. Following review and discussion, Director Lawrence moved that the Board authorize execution of the proposal and authorize payment per the proposal. Director Jackson seconded the motion, which was approved by unanimous vote.

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE FOR THE MINUTES OF THE FEBRUARY 14, 2007, BOARD MEETING]

Secretary, Board of Directors

(SEAL)

LIST OF ATTACHMENTS TO MINUTES

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