

MINUTES OF SPECIAL MEETING
OF
CYPRESS FOREST PUBLIC UTILITY DISTRICT

March 22, 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 22nd day of March, 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 except Director Lawrence, thus constituting a quorum.

Also present for all or part of the meeting was: Jim Reed, resident; Nancy Blackwell of AEI Engineering, Inc.; Harriet Denning of Conservatory Senior Living; Scott Winters and Mel Poff of The Church of Jesus Christ of Latter Day Saints; Don Hand of Greenwood Properties, Inc.; Sherrill Mercer of Mercer Controls, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe"); and Stephen M. Robinson of Allen Boone Humphries Robinson LLP ("ABHR").

EFFLUENT REUSE PROJECT FOR LANDSCAPE IRRIGATION

Ms. Blackwell made a presentation on the draft irrigation reuse project feasibility study for landscape irrigation and responded to questions from the Board members and the meeting attendees. Following discussion, Director Jackson moved that the Board authorize the consultants to forward a letter to the members of the Kleinwood Regional Wastewater Treatment Plant to determine whether any members are interested in partnering with the District in the irrigation reuse project. Director Petrick seconded the motion, which was approved by unanimous vote. The Board concurred that a six month deadline would be set for responses to the partnership inquiry.

AUTHORIZE ADVERTISEMENT FOR BIDS FOR UPGRADES FOR WATER PLANT OPERATIONS

Mr. Mercer next reviewed with the Board recommendations for enhancing the District's operations and reducing energy consumption. He responded to questions from the Board members and the meeting attendees. Following discussion, Director Lynch moved that the Board authorize the District's operator to engage an electrician to install capacitors across the well motor at water plant no. 1. Director Petrick seconded the motion, which was approved by majority vote, with Director Jackson opposed. Director Lynch moved that the Board approve installation of a wireless link between the two water plants to synchronize the elevated storage tank at water plant no. 1 with the jockey pump at water plant no. 2. Director Petrick seconded the motion, which did not pass due to lack of a favorable majority vote.

WATER PLANT NO. 2 MOTOR

The Board next discussed a notice received from the District's operator regarding a failure of the well motor starter in water plant no. 2 requiring the District to receive water through an interconnect with Harris County W.C.I.D. No. 114. Following review and discussion, Director Jackson moved that the Board authorize repair of the starter in an amount not to exceed \$15,000.00. Director Smyth seconded the motion, which was approved by unanimous vote.

PUBLIC COMMUNICATIONS

The Board next discussed public communication matters related to the upcoming Brown Bag Lunch and Bond Election. No action was taken by the Board.

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE FOR THE MINUTES OF THE MARCH 22, 2007, BOARD MEETING]

Secretary, Board of Directors

(SEAL)