

MINUTES
CYPRESS FOREST PUBLIC UTILITY DISTRICT

October 27, 2009

The Board of Directors (the "Board") of Cypress Forest Public Utility District, Harris County, Texas (the "District"), met in special session, open to the public, on the 27th day of October, 2009, at the Cypress Forest Public Utility District Administrative Building, 16215 Champion Forest Drive, Spring, Texas 77379, inside the boundaries of the District, and the roll was called of the members of the Board:

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| Thomas J. Petrick | President |
| Linn Jensen Smyth | Vice President |
| Fred P. Jones | Secretary |
| Greg DiCioccio | Assistant Secretary |
| Michael J. Lynch, Jr. | Assistant Vice President |

and all of the above were present, except Directors Petrick and Jones, thus constituting a quorum.

Also present for all or part of the meeting were the following: Jim Reed, resident; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); Gus Gustafson, J.R. Reavis, and Eric Martin of SouthWest Water Company ("SWWC"); Robert Thompson of CH2M Hill ("CH2M"); and Robert Strickland of B-5 Construction Company ("B-5").

Director Smyth called the meeting to order, which started with a self-introduction of all attendees.

Mr. Joubran gave an overview of the workshop, which was to discuss the installation, startup, and maintenance and operations of the chloramines injection systems in the District's Water Plant Nos. 1 and 2.

Mr. Thompson and Mr. Strickland reported that the installation is substantially complete, except for some programming that needs the engineer's input. Mr. Thompson then proceeded to discuss the Action Plan for Startup, and Maintenance and Operations of the systems (the "Plan"). Discussion ensued regarding the Plan, including input from Mr. Gustafson, Mr. Reavis, and Mr. Martin.

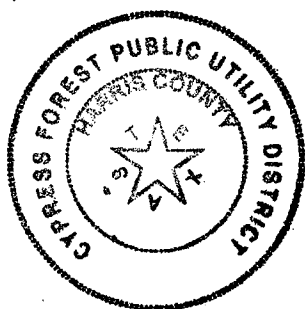
Additional discussion ensued regarding the possibility that increased manual flushing may be needed for the numerous "dead-end" water lines located in the District once chloramines delivery begins. Following a recommendation made by Mr. Gustafson, Director Smyth moved to authorize the engineer and the operator to identify a few key locations within the District where the water mains terminate in a "dead-

end," and to recommend a low cost solution to manual flushing procedures as a "pilot" project to be considered at the regular Board meeting scheduled on November 3, 2009. Director DiCioccio seconded the motion, which passed unanimously.

A question and answer session followed, at the conclusion of which Director Lynch moved to adjourn. Director DiCioccio seconded the motion, which passed unanimously.

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

(SEAL)



Fred P. Jones
Secretary, Board of Directors