

MINUTES OF SPECIAL MEETING
OF
CYPRESS FOREST PUBLIC UTILITY DISTRICT

February 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 February, 2009, at the Cypress Forest Public Utility District's 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, thus constituting a quorum.

Also present for all or part of the meeting were the following: Jay Hartley and Tom Riley from the Houston Gulf Coast Irrigation Association (the "HGCI"); Mike Brewer and Juan Alexander from SouthWest Water Company ("SWWC").

PRESENTATION FROM THE HOUSTON GULF COAST IRRIGATION ASSOCIATION

Mr. Hartley and Mr. Riley gave a presentation on the new Texas Commission on Environmental Quality (the "TCEQ") rules governing the use of irrigation systems (HB 1656, HB 4, and SB 3). Extensive discussion was held, with added input from SWWC, on the needs and methods possible for District implementation of the rules. Following discussion, the Board authorized Director Smyth to work with Barbara Payne of Payne Communications to develop a suitable communications plan using the District's newsletters and website to educate the District's constituents regarding the new rules. The Board agreed on an initial plan for the District to provide educational materials on required irrigation components that act to protect and maintain the District's drinking water quality, in particular, installation of backflow prevention devices. The Board additionally requested recommendations from legal counsel for implementation of the new TCEQ rules at the next regularly scheduled Board meeting.

WATER CONSERVATION POLICIES AND REQUIREMENTS

Director Smyth reported that she received a document from legal counsel which outlines the requirements for a comprehensive conservation policy. The Board

concurrent to review the document and to be prepared to discuss such a policy at the next regularly scheduled Board 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 FEBRUARY 27, 2009, BOARD MEETING]


Secretary, Board of Directors

(SEAL)

