

MINUTES
CYPRESS FOREST PUBLIC UTILITY DISTRICT

December 23, 2010

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 23rd day of December 2010, 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:

Fred P. Jones	President
Greg DiCioccio	Vice President
Michael J. Lynch, Jr.	Secretary
Thomas J. Petrick	Assistant Secretary
David Normand	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: Alice Kanayan, resident of the District; Kim Shelnett of Myrtle Cruz, Inc.; Nabil Joubran of Pepe Engineering, Ltd. ("Pepe Engineering"); and Greer Pagan of Allen Boone Humphries Robinson LLP ("ABHR").

Director Jones called the meeting to order.

RAVENEAU TRACT DEVELOPMENT, FINANCING AND CLOSING OF PURCHASE OF PARK PROPERTY

Director Jones and Mr. Pagan updated the Board on the progress of the bank loan with Encore Bank, N.A. for the purchase of park property per the District's Raveneaux Redevelopment Agreement (the "Agreement") with JP Raveneaux Partners LP and Kera Development LP (the "Developers"), and the status of the Developers' activities related to closing on the real estate transaction.

WATER LINE REPAIR PROJECT

The Board next discussed the repair of a break in the District's twelve-inch main water line located at the bridge crossing Champion Forest Drive being performed by Total Contracting Limited. Mr. Joubran reported that the valve located on the north side of the bridge is not functioning properly and needs to be replaced.

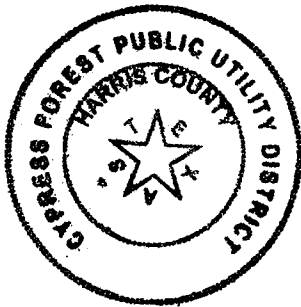
Mr. Joubran reported on a meeting held at the water line site with representatives of the Harris County Permits Office, the Harris County Precinct 4 Road and Bridge Department, the Harris County Engineer's Office, and the Harris County

Flood Control District.

Following discussion, Director DiCioccio moved to approve a change order to the water line repair contract to include the replacement of the broken valve and the addition of a flushing valve. Director Petrick seconded the motion, which was approved by unanimous vote.

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

(SEAL)



Michael J. Lynch, Jr.
Secretary, Board of Directors