

MINUTES OF MEETING OF BOARD OF DIRECTORS
CYPRESS HILL MUNICIPAL UTILITY DISTRICT NO. 1
October 25, 2007

THE STATE OF TEXAS §
COUNTY OF HARRIS §
CYPRESS HILL MUNICIPAL UTILITY DISTRICT NO. 1 §

The Board of Directors (the "Board") of Cypress Hill Municipal Utility District No. 1 (the "District") met in special session, open to the public, at 14710 Mills Park Lane, Cypress Texas, on October 25, 2007, at 7:00 p.m.; whereupon the roll was called of the members of the Board, to-wit:

- Ronald S. Koehn, President
- Robert Henry, Vice President
- Alex Handley, Treasurer
- Tim Halloran, Secretary
- Jerry Bryant, Assistant Secretary

All members of the Board were present. Also attending all or portions of the meeting were Corporal Blackledge, constable for the District.

The meeting was called to order in accordance with the notice posted pursuant to law: Chapter 551, Texas Government Code and Section 49.063, Texas Water Code (copies of certificates of posting or mailing are attached hereto as Exhibit "A"); and the following business was transacted:

1. **Public Hearing on First Amendment to Strategic Partnership Agreement with City of Houston.** The President convened the public hearing on the proposed First Amendment to Strategic Partnership Agreement with City of Houston. There were no comments and the hearing was closed.

2. **Approve and Authorize Execution of First Amendment to Strategic Partnership Agreement with City of Houston.** The proposed First Amendment to Strategic Partnership Agreement with City of Houston, previously distributed to the Board, was presented for review and approval, a copy of which is attached hereto as Exhibit "B."

Upon motion by Director Handley, seconded by Director Bryant, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize the execution of the First Amendment to Strategic Partnership Agreement with City of Houston.

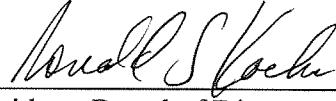
THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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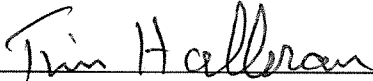
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The attached and foregoing minutes were passed and approved by the Board of Directors on November 16, 2007.



President, Board of Directors

ATTEST:



Secretary, Board of Directors

(DISTRICT SEAL)

