

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

August 27, 2018

THE STATE OF TEXAS	§
	§
COUNTY OF HARRIS	§
	§
CYPRESS-KLEIN UTILITY DISTRICT	§

The Board of Directors (the “Board”) of Cypress-Klein Utility District (the “District”) met in special session, open to the public, at 15705 North Greenfield Drive, Spring, Harris County, Texas, a designated meeting place of the Board inside the boundaries of the District, on Monday, August 27, 2018, whereupon the roll was called of the members of the Board, to-wit:

Robert Rasch	President
Paul Laven	Vice President
Adam Lightfoot	Secretary
Carl Sandhoff	Assistant Secretary
Chaz Logan	Director-elect

All members of the Board were present, thus constituting a quorum.

Also present at the meeting was Maria Salinas Parker with Sanford Kuhl Hagan Kugle Parker Kahn LLP (“SKLaw”), Attorney for the District.

The meeting was called to order and the following business was transacted.

PROPOSAL TO RENEW INSURANCE

Consideration was first given to renewal of the District’s insurance. The Board noted that the current insurance expires September 1, 2018. A proposal was submitted on August 16, 2018, by Gallagher. Texas Municipal League (“TML”) is in the process of completing its proposal. The Board then reviewed the proposal submitted by Gallagher. The following differences in policy coverage between TML and Gallagher were noted:

- Breach of contract is not a covered claim under TML, but it is under the Gallagher proposal.
- Sewer back up is not a covered claim under TML, but is under the Gallagher proposal.
- TML’s liability insurance only covers legal fees where a suit is filed for monetary damages. Gallagher’s proposal covers legal fees for suits not seeking monetary damages.
- TML’s pollution liability does not cover remediation costs. Gallagher’s proposal covers remediation costs.

The Board also noted that in spite of significant insurance claims in 2017 for damages sustained by the District due to Hurricane Harvey, the District’s insurance premiums did not increase significantly.

Upon motion duly made and seconded, the Board voted unanimously to accept the proposal submitted by Gallagher subject to verification of the differences in coverage of the TML proposal.

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

Approved this September 10, 2018.



Secretary, Board of Directors