

**MINUTES OF MEETING
KLEINWOOD MUNICIPAL UTILITY DISTRICT
HARRIS COUNTY, TEXAS**

June 13, 2008

STATE OF TEXAS
COUNTY OF HARRIS

The Board of Directors (the "Board") of Kleinwood Municipal Utility District (the "District") of Harris County, Texas, met in **special** session, open to the public, on **Friday, June 13, 2008**, at 8:30 a.m. at the District Office, 16530 Kleinwood Drive, Spring, Texas, within the boundaries of the District, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Stephen E. Williams	President
Vic Fowler	Vice President & Investment Officer
Robert Ehmann	Secretary/Treasurer
Sherry Allard	Assistant Vice President & Assistant Secretary
Joe Fratangelo	Assistant Secretary

and all of said persons were present except Director Ehmann, thus constituting a quorum.

Also present were: Jon Unterreiner, P.E., of Jones & Carter, Inc. ("Jones & Carter"), Engineer for the District; Bill Blich of SAMCO Capital Markets, the District's Financial Advisor; Roger Schuett, Office Manager; and Dick Yale and Maria Salinas Parker of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats|Rose"), Attorney for the District.

The President called the meeting to order in accordance with notice posted pursuant to law, and the following business was transacted.

HEAR FROM PUBLIC

The Board noted that there were no members of the public who wished to address the Board at this time.

DEVELOPMENT, FINANCING AND ANNEXATION AGREEMENT WITH JP/RAVENEUX PARTNERS, L.P. ("JP/Raveneaux") AND KERA DEVELOPMENT, L.P. ("Kera")

The Board then discussed the status of annexing into the District the tract of land (the "Raveneaux Tract") owned by JP/Raveneaux and Kera. The Board noted that Cypress-Forest Public Utility District ("Cy-Forest") made an offer to JP/Raveneaux and Kera regarding the development of the tract of land owned by JP/Raveneaux and Kera currently known as the Raveneaux Tract. The offer made to JP/Raveneaux and Kera provides for annexing into Cy-Forest land that JP/Raveneaux and Kera have contracted with the District to be annexed into the District. As Mr. Jordan was not present to discuss this matter, the Board agreed to call a special meeting for June 19, 2008 to allow Mr. Jordan an opportunity to address the Board concerning Cy-Forest's offer; and to send Mr. Jordan a letter asking that JP/Raveneaux provide the following items at or before the meeting June 19, 2008:

1. Current development plans for the Raveneaux Property.
2. Water and wastewater treatment capacity requirements for the Raveneaux Property.
3. Additional certification from JP/Raveneaux with regard to annexing the Raveneaux Property as required by the City of Houston. These certifications will be provided by Kleinwood's Attorney under separate cover letter.
4. A check in the amount of \$30,000 for costs incurred to date by Kleinwood with respect to the Raveneaux Property; and required to be paid by JP/Raveneaux as set forth in the Agreement.

Upon motion duly made and seconded, the Board voted unanimously to authorize the letter to Mr. Jordan as described above.

REPORT ON ACTION BY CYPRESS FOREST PUBLIC UTILITY DISTRICT

The Board took no action on this item.

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

Approved this July 24, 2008.

Robert Elman
Secretary, Board of Directors

