

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

28 April 2011

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 regular session, open to the public, on 28 April 2011 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:

Robert Ehmann	President
Sherry Allard	Vice President
Joe Fratangelo	Secretary/Treasurer
Bernie Bryl	Assistant Vice President & Assistant Secretary
Mike Morgan	Assistant Secretary & Investment Officer

and all of said persons were present with the exception of Directors Allard and Morgan, thus constituting a quorum.

Also present were: Sara Ahlschlager of Barbara Wheeler & Associates, Inc. ("Wheeler"), Tax Assessor/Collector for the District; Claudia Redden representing Claudia Redden & Associates, L.L.C., the District's Bookkeeper; Jonathan Unterreiner, P.E., and Mike Christopher, E.I.T., of Jones & Carter, Inc. ("J&C"), Engineer for the District; Andy Phelps of Environmental Development Partners, L.L.C. ("EDP"), Operator for the District; Roger Schuett, Office Manager for the District; Phil Halbert representing Champions Hydro-Lawn, Inc. ("CHL"); Dick Yale, Will Yale, and David Green of Coats, Rose, Yale, Ryman & Lee, P.C. ("Coats Rose"), Attorney for the District; and Ray Cicconi, a resident of the District.

Director Ehmann called the meeting to order.

PUBLIC COMMENTS

The President recognized Mr. Cicconi, who addressed the Board regarding the topics discussed at the Spring Seminar conducted on 13 April 2011 by the Association of Water Board Directors – Texas.

MINUTES OF THE MEETING OF 24 MARCH 2011

The minutes of the meeting of the Board held on 24 March 2011, previously distributed to the Board, were presented for consideration and approval.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the minutes of the meeting of 24 March 2011, as written.

PEACE OFFICER'S REPORT

Mr. Green distributed copies of the Peace Officer's Report as prepared by the Harris County Precinct 4 Constable's Office (the "Constable's Office"). A copy of the Peace Officer's Report is attached hereto.

DEVELOPMENT REPORT

Mr. Green distributed copies of the Development Report as prepared by John Lightfoot Investments, L.P. ("Lightfoot"), regarding the status of development in The Falls at Champion Forest, Champion Falls Estates (collectively, the "Falls") and Champion Woods Estates ("Champion Woods"). A copy of the Development Report is attached hereto.

DETENTION AND DRAINAGE FACILITIES REPORT

The President recognized Mr. Halbert, who submitted to and reviewed with the Board the Detention and Drainage Facilities Report (the "Detention Facilities Report") prepared by CHL in connection with the maintenance of the Champion Woods Estates Detention Pond. A copy of the Detention Facilities Report is attached hereto as an exhibit to these minutes. After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the Detention Facilities Report.

TAX ASSESSOR/COLLECTOR'S REPORT

The President recognized Ms. Ahlschlager, who submitted to and reviewed with the Board the Tax Assessor/Collector's Report. A copy of the Tax Assessor/Collector's Report is attached hereto. It was noted that the District had collected 97.3% of its 2010 taxes. The Directors also reviewed and discussed the Delinquent Collections Listing, a copy of which is attached hereto. Ms. Ahlschlager noted that Wheeler was requesting approval for seven checks written on the District's tax account, as well as the transfer by wire of \$5,159 in revenues from the tax for maintenance and operations to the District's Operating Fund.

Then, after discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Tax Assessor/Collector's Report and to authorize payment of the checks listed therein.

DELINQUENT TAX REPORT

Ms. Ahlschlager then submitted for the Board's review the Delinquent Tax Report as prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P., the District's Delinquent Tax Attorney. A copy of the Delinquent Tax Report is attached hereto.

DEVELOPMENT REPORTS/REQUESTS FOR SERVICE

The President recognized Mr. Christopher, who reported on the status of various developments in the District as follows:

1. **Klein Independent School District ("KISD")**. Mr. Christopher reported on matters relating to the Klein High School ("KHS") reconstruction project. He stated that J&C had reviewed the final plan sets for the water line on Louetta Road and a new sanitary sewer connection on Lyons School Road (the "Plans"), and had provided comments to the engineer

for KISD. He noted that the engineer for KISD had forwarded the water meter easement instrument to Harris County for recording in the Official Records of Real Property. Mr. Unterreiner stated that the District's Engineer had no objection to approving the Plans prior to KISD providing the District with a copy of the recorded water meter easement.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Engineer to approve the Plans.

2. **Stuebner Airline Veterinary Clinic (the "Veterinary Clinic")**. Mr. Christopher reported that the design work for the Veterinary Clinic facility to be constructed on Stuebner Airline Road is on hold.

ENGINEER'S REPORT

The President then recognized Mr. Christopher, who presented the Engineer's Report as follows:

1. **Stuebner Airline Utilities**. The Directors discussed the status of the contract with AR Turnkey Construction Company, Inc. (called "AR Turnkey") for construction of the Stuebner Airline utilities. Mr. Christopher reported that the pre-construction meeting with AR Turnkey was held on 29 March 2011 and that the scheduled completion date for the project is 7 June 2011. He informed the Board that the contractor was delayed in starting construction due to difficulty in obtaining a construction permit from Harris County (the "County"). He noted that the County had issued the construction permit on 25 April 2011 following a meeting with the District's Engineer. Mr. Christopher then reported that a J&C survey crew was sent out to establish their survey control for the construction staking (the "Construction Survey"). The owner of a tract near the Vincer tract reportedly accosted the survey crew in the mistaken belief that they were trespassing on his property, he told the Board. The individual damaged J&C's robotic surveying equipment, he continued, and tried to ram the survey crew's truck with his vehicle. Mr. Christopher stated that law enforcement officials were called to the scene. He noted that the damage to the surveying equipment totaled approximately \$1,400.

A discussion then ensued with regard to providing security for the J&C survey crew to ensure their safety while completing the Construction Survey. Mr. Christopher remarked that the Construction Survey could be completed in one working day. The Directors expressed their desire to engage an off-duty Precinct 4 Deputy Constable to provide security for the duration of the Construction Survey. Mr. Unterreiner stated that AR Turnkey could make its own arrangements for security service during the construction of the Stuebner Airline utilities and submit a Change Order on the contract to cover the cost of the security service.

After further discussion, the Board directed the District's Attorney to contact Deputy Buddy Gheen, Jr., of the Constable's Office regarding the procedure for hiring a Deputy Constable for the Construction Survey as described above.

Mr. Christopher then discussed with the Board the status of the District's application (the "Escrow Release Application") that was submitted to the Texas Commission on Environmental Quality (the "TCEQ") for the release of funds in escrow from the proceeds of the sale of the District's Series 2006 Bonds relating to (1) the cost to construct the Stuebner Airline utilities; and (2) the cost to acquire water line and sanitary sewer line easements for the Stuebner Airline utilities. He informed the Board that the TCEQ had issued a revised letter dated 25 March 2011, stating that the TCEQ had approved the release of \$489,081 in escrowed funds

(rather than \$489,441 as stated in the letter dated 3 March 2011). A copy of the letter is attached hereto as an exhibit to these minutes.

2. **Directional Flushing Plan.** Mr. Christopher reported that J&C is working with the District's Operator to address certain items that were discovered during the survey of the water line valves in the District's water distribution system. J&C will commence preparation of the directional flushing plan when all of the items in the valve survey have been addressed, he told the Board.

3. **Sanitary Sewer Cleaning and Televising (2011).** Mr. Christopher reported that seven bids were received for the proposed cleaning and video inspection of certain sections of the District's wastewater collection system (the "Inspection"). He stated that the apparent low bid for the Inspection was submitted by Quality Pipe Services, Inc. (called "QPS") in the amount of \$73,405.20. A copy of the bid tabulation for the Inspection project is attached hereto as an exhibit to these minutes.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to accept the low bid and award the contract for the Inspection to QPS.

4. **Auxiliary Generators.** Mr. Christopher discussed with the Board the status of the contract with C. F. McDonald Electric, Inc. (called "McDonald") for: (1) the installation of a diesel auxiliary generator at Water Plant No. 2; and (2) the installation of a natural gas auxiliary generator at the Champion Woods Estates Lift Station (collectively, the "Generators"). He reported that McDonald had installed both of the Generators and had completed the balance of the electrical work. CenterPoint Energy ("CenterPoint") is scheduled to install the natural gas service line to the Champion Woods Estates Lift Station site, he continued, contingent upon the payment of \$700 for the installation fee. Mr. Christopher stated that J&C forwarded an advance payment of \$700 for the installation fee to CenterPoint on behalf of the District and would add this cost to its next invoice to the District. He added that start-up testing and final inspections could begin once the gas service line and gas meter have been installed. Mr. Christopher estimated that the final inspections on the Generators would be conducted in approximately two weeks, at which time the Generators would be in service.

5. **Water Plant Improvements.** Mr. Christopher discussed with the Board the status of the Contract with Blastco Texas, Inc. ("Blastco") for improvements at Water Plant Nos. 1 and 2 (the "Water Plant Improvements"), consisting of: (1) recoating the interior and top-coating the exterior of the three hydropneumatic tanks (the "HPTs") at Water Plant No. 1; (2) recoating the interior of the 10,000-gallon HPT at Water Plant No. 2; and (3) recoating the booster pump discharge heads at Water Plant Nos. 1 and 2. Mr. Christopher stated that the pre-construction meeting with Blastco would be conducted later this month. Mr. Green submitted for the Board's review a memorandum from the District's Attorney regarding the bonds and insurance submitted by Blastco in connection with the Water Plant Improvements project. A copy of the memorandum is attached hereto as an exhibit to these minutes. Mr. Christopher remarked that the bonds and insurance submitted by Blastco were found to be in order.

6. **Texas Water Development Board ("TWDB") Final Project Source and Use of Funds Report (Series 2001 Bonds).** Mr. Christopher reported that the TWDB had sent a request for a final accounting regarding the use of proceeds from the District's Series 2001 Bonds. J&C is working with the District's Attorney and Bookkeeper to provide the TWDB with the requested information.

7. Water Monitoring and Operations Plan (the "Operations Plan")

Mr. Christopher reported that because the District is receiving surface water and had converted to the chloramine disinfection method, it would be necessary to update the Operations Plan and submit same to the TCEQ for review. He explained that J&C would coordinate with the District's Operator to update the Operations Plan. Mr. Christopher estimated the cost to update the Operations Plan at approximately \$4,000.

8. Storm Water Quality Permit / The Falls at Champion Forest Detention Pond

Mr. Unterreiner reported that the District's Attorney had directed an inquiry to Gloria Lee of Chaparral Management Company, Inc., (called "Chaparral") regarding the status of the proposed transfer of the Storm Water Quality Permit (the "SWQ Permit") for The Falls at Champion Forest Detention Pond from Lightfoot to The Falls at Champion Forest Property Owners Association, Inc. (the "Falls Association"). Mr. Unterreiner stated that Ms. Lee had informed the District's Attorney that the Falls Association had engaged legal counsel to study and advise on the proposed transfer of the SWQ Permit.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Engineer's Report.

ATTORNEY'S REPORT

The President recognized Mr. Yale, who presented the Attorney's Report. He submitted to and reviewed with the Board a memorandum from the District's Attorney regarding the status of certain ongoing matters for the District. A copy of the memorandum is attached hereto as an exhibit to these minutes.

PENDING LITIGATION

The Board discussed matters relating to the pending litigation relating to the Development, Financing and Annexation Agreement by and between the District and JP/Raveneaux Partners, LP, and Kera Development, L.P. ("Raveneaux"). Director Fratangelo reported on the mediation session between the District and Raveneaux (the "Mediation") that took place on 1 April 2011. Director Fratangelo noted that he and Directors Morgan and Allard had attended the Mediation on behalf of the District. He stated that the litigation between the District and Raveneaux had been resolved, with Raveneaux agreeing to render payment to the District over a 15-month period in an amount sufficient to cover the legal and engineering expenses incurred by the District during the planning phase of the cancelled annexation and development of the Raveneaux Tract.

Mr. Yale then informed the Board that Coats Rose had responded to the subpoena for business records in the case of JP Raveneaux Partners, LP vs. Westchester Surplus Lines Insurance Company, Depositors Insurance Company, and Bridge Insurance Partners Services, LLC, which was filed in the County Court at Law No. 1 in Dallas County, Texas. He stated that in response to the subpoena, Coats Rose had provided Quest Records and Reporting with copies of certain documents, minutes of Board meetings, and correspondence related to the proposed development by Raveneaux of the property underlying the Raveneaux Country Club.

GROUNDWATER CREDITS / HARRIS-GALVESTON SUBSIDENCE DISTRICT ("HGSD")

The Board discussed matters relating to the proposed sale of the District's accumulated groundwater credits (the "Credits"). Mr. Yale distributed copies of a table prepared by the

District's Attorney that denotes the status of inquiries received from persons or entities regarding the possible purchase of the Credits. A copy of the table is attached hereto as an exhibit to these minutes. Mr. Yale reported that the District's Attorney had been contacted during the past month by representatives of Newton Nursery and the Kings River Estates No. 2 Property Owners Association regarding the possible purchase of Credits.

ANNEXATION OF STUEBNER AIRLINE TRACTS

Next, the Board discussed the proposed annexation of the Stuebner Airline tracts. Mr. Yale reported that Stuebner Airline Vet Associates, LLC, had executed the Acknowledgment and Acceptance Agreement prepared by the District's Attorney in connection with the property previously owned by Charles H. and Judith M. O'Pry.

CYPRESSWOOD TRACTS

The Directors then discussed matters relating to certain tracts located on Cypresswood Drive (the "Cypresswood Tracts") that are owned by Kwik Industries, Landmark Industries LTD, J&MB, LP, and P&M Tankers. Mr. Yale reported that Marcia Oliver of Coats Rose had determined that the Consent Agreement between the District and Kwik Industries does not address the disposition of the interest (the "Interest") generated from the developer contribution paid to the District pursuant to the Consent Agreement (the "Developer Contribution"). Mr. Yale remarked that the District could (1) apply the Interest to the tap fee to be charged by the District for the Cypresswood Tracts that are affected by the Consent Agreements; or (2) apply the Interest to the Developer Contribution paid by Kwik Industries.

After discussion, the Board declined to take any action in connection with this matter unless a written inquiry regarding the Interest is received from Kwik Industries or another affected property owner.

82ND TEXAS LEGISLATURE

The Board briefly discussed matters relating to the 82nd Texas Legislature. Mr. Yale reported on the status of several pending bills that might affect the operation of water districts.

SECURITY SERVICE CONTRACT

The Board then discussed matters relating to the Security Service Contract with Harris County. Mr. Yale submitted to and reviewed with the Board a memorandum from the District's Attorney regarding options for supplemental or alternate security services in the District (the "Security Options"). A copy of the memorandum is attached hereto as an exhibit to these minutes. Mr. Yale explained that the District's Attorney had obtained information regarding the Security Options that are available through (1) the Houston Police Department; (2) the Harris County Sheriff's Department; (3) the Constable's Office; (4) private security companies that employ non-peace officer security personnel; and (5) a private security company that employs off-duty peace officers. He discussed with the Board the differences between the various Security Options, as listed in the table attached to the memorandum. The Board took no action regarding this matter but asked the District's Attorney to retain the information for future reference.

NORTH HARRIS COUNTY REGIONAL WATER AUTHORITY ("NHCRWA" / SURFACE WATER USAGE

Next, the Directors discussed matters relating to the quantity of surface water being purchased each month by the District from the NHCRWA (the "Surface Water Usage"). The Board reviewed an article from the 14 April 2011 edition of the Houston Chronicle Ultimate Section (Zone 14), a copy of which is attached hereto as an exhibit to these minutes. The Directors expressed concern that the information regarding the District's Surface Water Usage as presented in the article implies that the District is not maintaining the NHCRWA's goal for the water districts in its 2010 conversion zone (the "Conversion Zone") to use surface water to meet 96% of their water demand. Mr. Unterreiner expressed doubt that the NHCRWA currently has sufficient capacity to supply surface water to all of the water districts in the Conversion Zone in an amount equal to 90% of their water demand. The Directors expressed their desire for the District's Engineer, Operator, and Attorney to prepare a letter from the District to the NHCRWA (with a copy to be sent to the Houston Chronicle) explaining various factors in recent months that have affected the District's Surface Water Usage.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's consultants to prepare the letter as described above.

OPERATOR'S REPORT

The President recognized Mr. Phelps, who submitted to and reviewed with the Board the Operator's Report as follows:

1. **Water Plant Operations.** Mr. Phelps reported that the billed to pumped ratio for the prior month was 98.8% and that the District has 826 service connections, including 11 vacant single-family residences. He noted that surface water received from the NHCRWA accounted for 98% of the water distributed to the District's customers during March 2011.

2. **Utility Operator's Report.** Mr. Phelps reviewed with the Board the utility billing summary, accountability report, subsidence district report, NHCRWA fee report, and the 60-day delinquent list, as shown in the Operator's Report attached hereto.

A. **Substantial System Repairs.**

8106 Marshall Falls	Repair leak	\$ 872.67
7403 Dayhill	Repair leak	744.91
Klein VFD	Replace service line under driveway	2,328.92
Various locations	Repair & locate valves for valve survey	7,287.80
7910 Fox Crossing	Repair driveway and yard after leak repair	1,764.80
Water Plant No. 2	Repair air compressor controls	2,068.00
Water Plant No. 1	PM Generator Set	712.00

B. **Water Plant No. 1.** Mr. Phelps reported that Alsay Incorporated ("Alsay") had completed the replacement of Booster Pump No. 1 at a cost of \$6,775.

C. **Commercial Taps.** Mr. Phelps reported that EDP had completed and sent the tap fee letter for the development of a Whataburger restaurant on a 1.145-acre tract in Restricted Reserve A, Kleinwood Shopping Center, Section 2. Installation of the service tap will be

scheduled when payment and the required documentation are received, he told the Board. Mr. Phelps added that installation of the service tap will include a new fire hydrant.

D. KISD Water Meter and Water Line Extension. Mr. Phelps reported that EDP had met on-site with KISD representatives to discuss the project. EDP is completing the tap fee letter to be sent to KISD, he told the Board. The estimated tap fee will be \$62,000, he continued, and is based on the actual cost to the District with no multiplier. Mr. Phelps stated that the work will commence following the end of the spring school term, contingent upon payment by KISD of the tap fee.

E. Water Valve Repairs. Mr. Phelps reported that the authorized repair of eight valves on the District's water distribution system (the "Valve Repairs") is in progress. He stated that the estimated cost for the Valve Repairs is \$8,000.

F. NHCRWA / Surface Water Usage. Mr. Phelps focused the Board's attention on a memorandum prepared by the District's Operator in response to the Houston Chronicle article regarding the consumption of surface water by water districts in the Conversion Zone. A copy of the memorandum is included with the Operator's Report.

G. Unauthorized Discharge / Noncompliance Notification. Mr. Phelps reported that a Noncompliance Notification Report was submitted to the TCEQ regarding the accidental discharge on 4 April 2011 of approximately 2,700 gallons of wastewater from the sanitary sewer manhole near 8100 Cypresswood. A copy of the Noncompliance Notification Report is included in the Operator's Report.

H. Emergency Preparedness. Mr. Phelps briefly discussed with the Board the actions being taken by the District's Operator in preparation for the 2011 hurricane season, which begins on 1 June 2011.

TERMINATION OF SERVICE

Consideration was then given to the termination of water and sewer service to certain delinquent accounts. The President recognized Mr. Phelps, who advised the Board that the requisite notifications had been given to each customer and that each customer was advised of the date, time and place of the Board meeting which they could attend to discuss termination of service. The Board noted that there were no customers present to protest the utility billings.

REPORT ON OPERATION OF DISTRICT OFFICE

The President recognized Mr. Schuett, who presented the report concerning the District Office (the "Office Report"), a copy of which is attached hereto. Mr. Schuett discussed with the Board the major activities undertaken during the past month, including: (1) notifying a pest control contractor to inspect and treat the District Office for termites; (2) re-striping the parking lot at the District Office; and (3) inspecting the restrooms on the outside of the District Office. Mr. Schuett noted that two of the toilets in the outside restrooms need to be cleaned and rebuilt.

The Board then discussed matters relating to the District's policy regarding the use of the District Office by homeowner associations in the District (the "Associations"). Mr. Schuett remarked that he had previously informed the Champion Pines Condos Association (the "Condos Association") that pursuant to the District's Office Use Agreement dated 23 April 2009,

as amended, an Association desiring to use the District Office for monthly meetings must pay the District an annual fee of \$300.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Condos Association to use the District Office for its meetings on the fourth Monday of each month, subject to payment of the annual fee of \$300.

BOOKKEEPER'S REPORT

Ms. Redden distributed to the Board copies of the Bookkeeper's Report dated 28 April 2011, a copy of which is attached hereto as an exhibit to these minutes. The Directors also reviewed certain invoices for payment by the Board, as well as the Investment Report.

Then, upon a motion duly made and seconded, the Board voted unanimously to approve the Bookkeeper's Report, and to authorize payment of the checks listed therein.

DISTRICT'S INVESTMENTS

The Directors entered into a discussion regarding the District's investments (the "Investments"). Ms. Redden submitted to and reviewed with the Board a table comparing the interest rates currently available through (1) Certificates of Deposit at certain banks; (2) the TexPool investment pool; and (3) money market funds being offered through certain banks. A copy of the table is attached hereto. She then reviewed with the Board a table and informational material listing the relative advantages and disadvantages of using (1) investment pools such as TexPool and TexStar; and (2) Certificates of Deposit. Copies of the table and informational material are attached hereto.

After discussion, the Board deferred action on this matter pending a review by Director Morgan and Ms. Redden of the materials described above.

IDENTITY THEFT PREVENTION PROGRAM / ANNUAL REVIEW

The Board then discussed matters relating to the District's Identity Theft Prevention Program (the "Program"), including the annual review of actions taken by the District's consultants in connection with the Program. Mr. Phelps submitted for the Board's review the report (the "Review Report") prepared by EDP in connection with the annual review of its implementation of the District's Identity Theft Prevention Program. A copy of the Review Report is attached hereto as an exhibit to these minutes.

SAVEWATERTEXAS.COM

Mr. Green submitted for the Board's review a letter from SaveTexasWater.com requesting the sponsorship by the District of water conservation education programs at Mittelstadt Elementary School in KISD. A copy of the letter is attached hereto. The Directors deferred consideration of this matter to a future meeting of the Board.

NOTIFICATION OF RESIDENTS / UTILITY WORK IN PRIVATE ROADWAYS

The Board then discussed matters relating to the notification given to the District's customers of construction or utility work (the "Utility Work") in proximity to their residences (the "Notification"). Director Bryl stated that he had been contacted by Ms. Lee of Chaparral, who

had inquired as to whether the District is required to provide Notification to residents of a gated community when Utility Work is being performed on a privately-owned roadway located therein. Mr. Unterreiner stated that none of the other water district clients of J&C provide Notification of Utility Work taking place on a privately-owned roadway in a gated community. He explained that the private roadways in The Falls are platted as a Permanent Access Easement / Public Utility Easement. Mr. Unterreiner also noted that there are additional water line and sanitary sewer line easements adjacent to the privately-owned roadways in The Falls. Mr. Phelps remarked that EDP normally places a door hanger only at those residences when the Utility Work will be taking place on that property or where the residents would be affected by a temporary loss of service. The Directors declined to take any action in connection with this matter.

KLEINWOOD JOINT POWERS BOARD ("KJPB")

Director Fratangelo presented a report on the activities of the KJPB.

KLEINWOOD MAINTENANCE FUND ("KMF")

Director Bryl presented a report on the activities of the KMF.

THE FALLS ASSOCIATION

Director Bryl informed the Board that he plans to attend the next two monthly meetings of the Falls Association. The Board directed Mr. Green to confirm the time and location of the meetings of the Falls Association and forward this information to Director Bryl.

NHCRWA

Mr. Green distributed copies of a memorandum from the District's Attorney regarding the 4 April 2011 meeting of the NHCRWA board of directors. A copy of the memorandum is attached hereto.

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



Joseph T. Fratangelo
Secretary, Board of Directors

Kleinwood Municipal Utility District
Meeting of 28 April 2011
Attachments

1. Peace Officer Report;
2. Development Report;
3. Detention and Drainage Facilities Report;
4. Tax Assessor/Collector's Report;
5. Delinquent Tax Report;
6. Engineer's Report;
7. Letter from TCEQ / approval of escrow release application;
8. Bid tabulation / 2011 sanitary sewer cleaning & televising;
9. Coats Rose memorandum / bonds and insurance on Blastco contract;
10. Coats Rose memorandum / status of ongoing matters;
11. Table / groundwater credit sales;
12. Coats Rose memorandum / Alternate Security Patrol options;
13. News article / surface water usage;
14. Operator's Report;
15. Office Management Report;
16. Bookkeeper's Report;
17. Tables / options for the District's investments;
18. ID Theft Prevention Program report / EDP;
19. Letter from SaveWaterTexas.com; and
20. Coats Rose memorandum / NHCRWA.