

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

27 February 2025

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 the 27th day of February 2025, 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:

Joe Fratangelo	President
Sherry Allard	Vice President
Robert Ehmann	Secretary/Treasurer
David C. Guerrero	Assistant Vice President & Assistant Secretary
Jeff Gobbell	Assistant Secretary

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

Also present were Ashlie Whittemore of Wheeler & Associates, Inc. ("Wheeler"), the Tax Assessor/Collector for the District; Bill Blicht representing Blicht Associates, Inc., Financial Advisor for the District; David Warner, P.E., of Quiddity Engineering, LLC ("Quiddity"), Engineer for the District; Chris Zilko of Inframark, LLC ("Inframark"), Operator for the District; Roger Schuett, Office Manager for the District; Les Griffith representing Champions Hydro-Lawn, Inc. ("CHL"); Sergeant M. Gonzales and Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); Will Yale and David Green of Coats Rose, P.C. ("Coats Rose"), Attorney for the District; and the following residents of the District: Tom Liewer and Scott Richey. Attending the meeting by teleconference was Dick Yale of Coats Rose.

Director Fratangelo called the meeting to order.

**MINUTES OF THE MEETING OF 23 JANUARY 2025**

The minutes of the meeting of the Board held on 23 January 2025, previously distributed to the Board, were presented for consideration and approval. Director Gobbell requested a revision to page 1 of the minutes. After discussion, during which Director Ehmann stated that he would abstain, upon a motion duly made and seconded, the Board voted 4 to 0 in favor of approving the minutes of the meeting of 23 January 2025, as amended.

## **PEACE OFFICER'S REPORT**

The President recognized Deputy Gomez, who presented the Peace Officer's Report, a copy of which is attached hereto. The Directors then discussed security related issues. Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Peace Officer's Report.

## **DETENTION AND DRAINAGE FACILITIES REPORT**

The President recognized Mr. Griffith, 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. He noted that the wooden fence behind the H-E-B supermarket that is located east of the Detention Pond site (the "H-E-B Fence") was in a state of disrepair. He called the Board's attention to photographs of the H-E-B Fence that are included in the Detention Facilities Report. Mr. Griffith noted that the H-E-B Fence does not belong to the District.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Detention Facilities Report; and (2) authorize the District's Attorney to draft a letter to the management of the H-E-B supermarket, requesting that immediate action be taken to rehabilitate the H-E-B Fence.

## **TAX ASSESSOR/COLLECTOR'S REPORT**

The President recognized Ms. Whittemore, 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. The Board noted that the District had collected 86% of its 2024 taxes. The Directors also reviewed and discussed the Delinquent Collections Listing, a copy of which is attached hereto. Ms. Whittemore noted that Wheeler was requesting approval for eight checks written on the District's tax account, and two transfers by wire as follows: a transfer of \$282,482.42 in revenues from the tax for maintenance and operations to the District's Operating Fund and \$500,000.00 to the Debt Service 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.

## **RESOLUTION CONCERNING TAX EXEMPTIONS FOR 2025**

Next, Mr. Yale submitted a draft RESOLUTION CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION for the Board's consideration. Mr. Yale noted that the resolution had been prepared with the same exemptions that had been offered for 2024, that is \$25,000.00 for persons who are disabled or who are sixty-five years of age or older and a 20% general residential homestead exemption (collectively, the "Exemptions"). Mr. Blitch submitted to and reviewed with the Board the Homestead Exemption Study as prepared by the District's Financial Advisor. A copy of the Homestead

Exemption Study is attached hereto as an exhibit. Mr. Blitch offered his recommendation that the District should continue to offer the same Exemptions for 2025 as it did for 2024. After discussion, upon a motion duly made and seconded, the Board voted unanimously to grant the following Exemptions for 2025 and to adopt a RESOLUTION CONCERNING EXEMPTION OF RESIDENCE HOMESTEADS FROM TAXATION: (1) \$25,000.00 exemption for individuals who are disabled or sixty-five years of age or older; and (2) a 20% general residential homestead exemption. A copy of the Resolution is attached hereto and shall be considered to be part of these minutes.

### **AGREEMENT FOR DELINQUENT TAX COLLECTION SERVICES**

Mr. Yale then explained that the Board could impose a statutory charge (the "Collection Charge") of up to 20% on all 2024 taxes, penalties, and interest delinquent on 1 July 2025 for real property (and on 1 April 2025 for personal property), said Collection Charge to be used to finance the costs of collection of the delinquent taxes. In order to do so, he continued, the Board must first confirm its agreement (the "Agreement") for delinquent tax attorney services with Perdue, Brandon, Fielder, Collins & Mott, L.L.P. He explained further that under the Agreement, the amount paid by the District to the District's Delinquent Tax Attorney for the collection of delinquent 2024 taxes would be equal to the additional collection charge as approved by the Board on all 2024 taxes, penalties, and interest delinquent on the applicable dates, up to the statutory maximum of 20%, pursuant to Sections 33.07, 33.08, and 33.11 of the Texas Tax Code. After discussion, upon a motion duly made and seconded, the Board voted unanimously to confirm its Agreement with the District's Delinquent Tax Attorney.

### **COLLECTION CHARGE ON ALL DELINQUENT 2024 TAXES, PENALTIES, AND INTEREST**

Consideration was then given to imposing the Collection Charge as described above. After discussion, upon a motion duly made and seconded, the Board voted unanimously to impose a 20% Collection Charge on all 2024 taxes, penalties, and interest that are due and remain delinquent as of the applicable dates, pursuant to Sections 33.07, 33.08, and 33.11 of the Texas Tax Code. A copy of the CERTIFICATE OF BOARD ACTION related to this matter is attached hereto as an exhibit to these minutes.

### **ENGINEER'S REPORT**

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

Water Plant No. 2 / Hydropneumatic Tank Addition (the "HPT Addition"). The Board discussed the contract with CFG Industries, LLC (called "CFG"), for the HPT Addition. Mr. Warner reported that Quiddity had completed the review of the product submittals from CFG on the HPT Addition. He noted that CFG was now procuring the products for construction of the HPT Addition.

Rebuilding of Water Plant No. 1. Mr. Warner reported that Quiddity had completed the 90% design package for the project and had submitted the design drawings for agency review.

Request for Reimbursement of Repair Costs for Water Line on Theiss Mail Route (the "Reimbursement"). Mr. Warner reported that on 4 February 2025 he and Director Fratangelo met with Harris County Precinct 3 Commissioner Tom Ramsey and Jennifer Almonte of Precinct 3 to discuss the District's request for the Reimbursement. He informed the Board that Precinct 3's offer of a Reimbursement in the amount of \$8,900.00 as discussed by Ms. Almonte at the Board's meeting on 23 January 2025 had been withdrawn. Instead, he continued, Mr. Ramsey recommended that the District submit a formal claim for the Reimbursement, including an itemized bill for the District's expenses (the "Claim"), through Harris County's risk management consultant. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Engineer to submit the Claim as described above.

Requests For Service. Mr. Warner called the Board's attention to photographs taken of the IDS Car Wash and HTeaO projects that are under construction in the District. Copies of the photographs are included with the Engineer's Report. Mr. Warner informed the Board that Quiddity had conditionally approved a proposed sign for the IDS Car Wash contingent on approval from the North Harris County Regional Water Authority (the "NHCRWA"). He explained that the proposed sign would be in proximity to the NHCRWA's water line.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to accept the Engineer's Report, a copy of which is attached hereto as an exhibit.

## **ATTORNEY'S REPORT**

The President recognized Mr. Yale, who presented the Attorney's Report.

Directors Election. The Board discussed matters relating to the 3 May 2025 Directors Election required for the District. Mr. Yale reported that as of this date the candidates to be listed on the ballot for the referenced election were unopposed and accordingly the District's Attorney would prepare an ORDER DECLARING UNOPPOSED CANDIDATES ELECTED TO OFFICE for adoption at the Board's meeting on 27 March 2025.

Residential Solid Waste Collection Service. The Board discussed the possibility of the District administering a contract for the collection of residential solid waste (the "Collection Contract") in the subdivisions located within the District, as an alternative to certain homeowner associations in the District administering their respective Collection Contracts. Mr. Yale reviewed with the Board a draft Residential Solid Waste Collection Contract (the "TPD Contract") as prepared by Texas Pride Disposal (called "TPD"). He pointed out to the Board that under the TPD Contract, TPD would charge the District a different rate per connection (the "Service Rates") for the services provided to customers

in the Kleinwood Subdivision, The Falls at Champion Forest Subdivision, the Champion Woods Estates Subdivision, and the residences in the District that are served by the Memorial Northwest Homeowners Association, Inc. A discussion ensued regarding the TPD Contract and the Service Rates. The Board then directed the District's Attorney to ask TPD to provide a revised draft of the TPD Contract with a single combined Service Rate.

Water Supply Agreement / Klein Independent School District ("Klein ISD"). The Board discussed the preparation by the District's Attorney of a proposed Amended and Restated Water Supply Agreement between the District and Klein ISD (the "Amended Agreement") to supersede the Water Supply Agreement dated 18 September 1982, as amended. Mr. Yale distributed to the Board copies of a revised draft of the Amended Agreement. Under the proposed Amended Agreement, he told the Board, Klein ISD would be charged a penalty rate (the "Penalty Rate") for daily water usage in excess of 115,000 gallons per day ("gpd") based on a 30-day average. The Penalty Rate, he told the Board, would be 10 times the regular monthly service rates, with the penalty amount to be capped at \$20,000.00 per violation. Mr. Yale inquired as to whether the threshold for applying the Penalty Rate (the "Threshold") should be 110,000 gpd or 115,000 gpd. The Directors agreed that the Threshold should be set at 115,000 gpd. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Attorney to present the draft Amended Agreement, as revised, to Klein ISD to review.

## **OPERATOR'S REPORT**

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

Water Plant Operations. Mr. Zilko reported that the billed to pumped ratio for the prior month was 92.7% and that the District has 898 service connections, including two vacant single-family residences. He noted that surface water received from the NHCRWA accounted for 45% of the water distributed to the District's customers during the period ending 13 January 2025.

Utility Operator's Report. Mr. Zilko 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.

Kleinwood Regional Wastewater Treatment Plant (the "Plant"). Mr. Zilko reviewed with the Board the cover page from the Operator's Report for the Plant dated 3 February 2025, a copy of which is included with the Operator's Report.

Lift Station No. 3. Mr. Zilko reported that the 15-year-old autodialing unit at Lift Station No. 3 (the "Autodialing Unit") needed to be replaced. He stated that the cost of a new Autodialing Unit, including installation and the first year of wireless monitoring, would be \$6,750.00. A price quote for the replacement of the Autodialing Unit is included with the Operator's Report.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Operator's Report; and (2) authorize the replacement of the Autodialing Unit. A copy of the Operator's Report is attached hereto as an exhibit to these minutes.

### **TERMINATION OF SERVICE**

Consideration was then given to the termination of water and sewer service to certain delinquent accounts. The President recognized Mr. Zilko, 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. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize the Operator to terminate the water and sewer service to those accounts listed on the termination list.

### **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.

Replacement of Glass Cover on Board Room Table. Mr. Schuett reported that the Glass Cover had recently cracked. He reviewed with the Board the price quotes submitted by DeSola Glass and ADIV Glass & More, LLC ("ADIV"), for the replacement of the Glass Cover. Copies of the price quotes are included with the Office Report. The Board noted that DeSola Glass was offering price quotes for a one-piece Glass Cover and a two-piece Glass Cover; and that ADIV was offering price quotes for Glass Covers with a thickness of 1/4-inch or 3/8-inch, with either square or bumped corners.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Office Report; and (2) accept the price quote from DeSola Glass in the amount of \$1,145.00 for a single-piece Glass Cover.

### **SWIMMING POOL AT KLEINWOOD CLUBHOUSE**

Next, the Directors discussed matters relating to the swimming pool at the Kleinwood Clubhouse (the "Pool"). Mr. Yale reviewed with the Board an electronic correspondence dated 11 February 2025 from Jenny Henrickson of SSB Management, the management company for the Kleinwood Maintenance Fund (the "KMF"), a copy of which is attached hereto. He explained that Ms. Henrickson was seeking assistance from the District for necessary repairs to the fence around the Pool (the "Pool Fence") and certain other appurtenances in order for the pool to meet safety and health regulations. He then reviewed with the Board the Swimming Pool and Spa Inspection Form/Violation Notice dated 27 January 2025 and the Public Swimming Pool and Spa Pool Closure Notice dated 27 January 2025 (collectively, the "Notices") as issued by Harris County Public Health, copies of which are attached hereto as exhibits to these minutes. A discussion ensued regarding the violations enumerated in the Notices and the corrective measures to be taken, including: (1) providing main drain cover compliance certificates

for the Pool (or replacing the main drain covers); (2) repairing the openings in the Pool Fence; (3) replacing glass mirrors with shatter-resistant glass; (4) removing tree limbs that are within three feet of the Pool Fence (the "Tree Trimming"); (5) providing a functioning emergency summoning device; and (6) having a licensed plumber install a correct backflow system (collectively, the "Corrective Measures").

After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize Mr. Schuett to undertake the Corrective Measures relating to the Pool Fence and the Tree Trimming, and certain other matters as possible, at a cost not to exceed \$10,000.00, with said work to be approved by Directors Fratangelo and Ehmann.

Director Ehmann departed from the meeting at this time to attend to a personal commitment.

### **BOOKKEEPER'S REPORT**

Mr. Schuett presented the Bookkeeper's Report on behalf of Claudia Redden & Associates, L.L.C., the District's Bookkeeper. A copy of the Bookkeeper's Report is attached hereto as an exhibit to these minutes. Mr. Schuett listed the balances in each of the District's accounts and reviewed the activity in each account. The Directors 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.

### **KLEINWOOD JOINT POWERS BOARD ("KJPB")**

Director Fratangelo presented a report on the activities of the KJPB. A copy of the draft minutes of the KJPB meeting held on 5 February 2025 is attached hereto as an exhibit

### **KMF**

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

### **WEBSITE FOR THE DISTRICT**

The Board briefly discussed the status of the District's internet website. Further discussion on this matter was deferred to the Board's meeting on 27 March 2025.

There being no further business to come before the Board, the meeting was adjourned.

---

Secretary, Board of Directors

SEAL

Kleinwood Municipal Utility District  
Meeting of 27 February 2025  
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Homestead Exemption Study;
5. Resolution Concerning Exemption of Residence Homesteads From Taxation;
6. Certificate of Board Action;
7. Engineer's Report;
8. Operator's Report;
9. District Office Report;
10. Letter from J. Henrickson;
11. Swimming Pool and Spa Inspection Form/Violation Notice;
12. Public Swimming Pool and Spa Pool Closure Notice;
13. Bookkeeper's Report; and
14. KJPB draft meeting minutes.