

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

22 May 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, at 6:00 p.m. on the 22nd day of May 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<br>& 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; David Warner, P.E., of Quiddity Engineering, LLC ("Quiddity"), Engineer for the District; Johnson Ashcraft of Inframark, LLC ("Inframark"), Operator for the District; Roger Schuett, Office Manager for the District; Les Griffith representing Champions Hydro-Lawn, Inc. ("CHL"); Sergeant Michael Gonzales with the Harris County Precinct 4 Constable's Office (the "Constable's Office"); Dick Yale and David Green of Coats Rose, P.C. ("Coats Rose"), Attorney for the District; and members of the public as listed on the attached Attendance Sheet.

Director Fratangelo called the meeting to order.

**HEAR FROM THE PUBLIC**

The President recognized Beth Tillis and Denise Wilkes, who addressed the Board regarding (1) the condition of the wooden fence behind the H-E-B supermarket (the "Fence") that is located east of the Champion Woods Estates Detention Pond (the "Detention Pond") site; and (2) homeless individuals trespassing onto the Detention Pond site. Mr. Yale informed those in attendance that on 14 March 2025 the District's Attorney had transmitted a letter to Brad Wick of Phillips Edison & Company ("Phillips"), which owns the property on which the H-E-B supermarket is located, requesting that Phillips take immediate action to rehabilitate the Fence where it fronts the Detention Pond. Mr. Yale stated that Mr. Wick had subsequently informed the District's Attorney that Phillips would have a contractor look into this matter as soon as is feasible. Mr. Griffith

stated that the Fence is on property owned Phillips and is not located in the Detention Pond Tract. Mr. Yale recommended that the District's Engineer prepare a map that delineates the property line between the Detention Pond and the tract owned by Phillips. With regard to the trespassing on the Detention Pond site by homeless individuals, Mr. Yale recommended that the residents of Champion Woods Estates subdivision request additional patrols of the area by the Precinct 4 Deputy Constables that are assigned to the District or contact the office of Harris County Precinct 3 Commissioner Tom Ramsey and request a meeting to discuss the matter.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) authorize the District's Engineer to inspect the Detention Pond site; (2) direct the District's Attorney to post the contact information for Phillips on the District's website; and (3) direct the District's Attorney to post a link on the District's website for reporting potholes in residential roadways to the office of Harris County Precinct 3 Commissioner Tom Ramsey.

### **MINUTES OF THE MEETING OF 25 April 2025**

The minutes of the meeting of the Board held on 25 April 2025, previously distributed to the Board, were presented for consideration and approval. Director Gobbell requested a revision to page 4 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 25 April 2025, as written.

### **PEACE OFFICER'S REPORT**

The President recognized Sergeant Gonzales, who presented the Peace Officer's Report, a copy of which is attached hereto. The Directors then discussed security related issues. Sergeant Gonzales mentioned that the Harris County Commissioners Court had recently approved a pay raise for law enforcement officers employed by Harris County. 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. Mr. Griffith then reviewed with the Board a proposal from CHL to regrade the swale in the Detention Pond at a cost of \$2,997.78 (the "CHL Proposal"). He explained to the Board that regrading the swale would improve the drainage in the area adjacent to one of the residences in the Champion Woods Estates subdivision.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Detention Facilities Report; and (2) accept the CHL Proposal. A copy of the CHL Proposal as approved by the Board is attached hereto as an exhibit.

## **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 94.7% 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 21 checks written on the District's tax account, said checks including the transfer of \$17,009.46 in revenues from the tax for maintenance and operations to the District's Operating Fund and \$200,000.00 to the Debt Service Fund.

Annual Review of Unclaimed Property. Ms. Whittemore reported that unclaimed funds totaling \$182.69 would be escheated to the Texas Comptroller's Office by the Tax Assessor/Collector.

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.

## **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 CFG was working to complete the foundation for the HPT Addition. He noted that the hydropneumatic tank was scheduled to be delivered upon completion of the foundation. Mr. Warner then reported that CFG had submitted Pay Estimate No. 1 in the amount of \$99,000.00 in connection with the HPT Addition. A copy of Pay Estimate No. 1 is included with the Engineer's Report.

Rebuilding of Water Plant No. 1 (the "Rebuilding Project"). Mr. Warner reported that the plans for the Rebuilding Project had received approval from the Texas Commission on Environmental Quality (the "TCEQ") and the Harris County Flood Control District. Agency approval from the City of Houston and Harris County Engineering Department is pending, he told the Board. Mr. Warner submitted for the Board's review the Final Estimate of Construction Cost for the Rebuilding Project (the "Estimate of Construction Cost") as prepared by Quiddity. A copy of the Estimate of Construction Cost is attached hereto as an exhibit. The Directors noted that, according to Quiddity, the estimated construction cost for the Rebuilding Project is \$6,136,000.00, which does not include contingencies or engineering fees. Mr. Warner then requested authorization to advertise for bids on the Rebuilding Project.

Request for Reimbursement of Repair Costs for Water Line on Theiss Mail Route (the "Reimbursement"). Mr. Warner recalled that in March 2025 Quiddity had submitted the District's claim for the Reimbursement (the "Claim") to the Harris County Commissioners Court as recommended by Harris County Precinct 3 Commissioner Tom

Ramsey. He noted that Jennifer Almonte of Precinct 3 had informed Quiddity that the Claim had been assigned to an agent in Harris County Human Resources and Risk Management.

Requests For Service. Mr. Warner reported that construction of the IDS Car Wash was nearing completion. He recalled 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"), due to the sign's proximity to a NHCRWA water line. He stated that the design team for the IDS Car Wash is still trying to obtain a permit from the NHCRWA.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) authorize payment of Pay Estimate No. 1 to CFG; and (3) authorize the District's Engineer to advertise for bids on the Rebuilding Project, subject to agency approval.

## **ATTORNEY'S REPORT**

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

Residential Solid Waste Collection Service. The Board discussed the proposed assumption by the District of the contracts for the collection of residential solid waste in the subdivisions located within the District, as an alternative to certain homeowner associations in the District administering their respective Collection Contracts. Mr. Yale distributed to the Board a memorandum from the District's Attorney that lists the schedule for the upcoming meetings of the Kleinwood Maintenance Fund, the Community Association of Champion Woods Estates, and the Falls at Champion Forest Property Owners Association. A copy of the memorandum is attached hereto as an exhibit.

Arbitrage Rebate and Project Fund Yield Restriction Compliance Service Program. Mr. Yale submitted to and reviewed with the Board the Arbitrage Rebate and Project Fund Yield Restriction Compliance Service Program Review (the "Review") dated 5 May 2025 as prepared by Arbitrage Compliance Specialists, Inc. ("ACSI") in connection with its review of the District's (1) Series 2020 Refunding Bonds; (2) Series 2021 Bonds; and (3) Series 2024 Bonds. A copy of the Review is attached hereto as an exhibit to these minutes. Mr. Yale pointed out to the Board that the unspent funds from the proceeds of the sale of the Series 2021 Bonds were developing a liability with respect to project fund yield restriction. He stated that as of 31 October 2024 the project fund balance was \$351,005.71. Mr. Yale noted that ACSI was recommending that the project funds be spent below the minor portion of \$100,000.00 in the near future.

House Bill 3693 Compliance / Electricity Consumption. Mr. Yale reminded the Board that Chapter 2265 of the Texas Government Code requires Texas political subdivisions to record and make available their utility usage and costs pursuant to House Bill 3693 ("HB 3693") as approved by the 80th Texas Legislature in 2007. He then submitted for the Board's review the HB 3693 Report for the District for calendar year

2024 as prepared by the Public Power Pool. A copy of the HB 3693 Report is attached hereto as an exhibit to these minutes.

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 as prepared by the District's Attorney. He remarked that the District's Engineer would need to provide an updated map depicting the Klein ISD campuses and facilities that are currently receiving water from the District, to be attached as Exhibit "A" to the Amended Agreement. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Amended Agreement and to authorize the District's Attorney to transmit the Amended Agreement to Klein ISD for review.

Oaths of Office. The Board considered approval of the Oaths of Office and the Statements of Officers as executed and submitted by Directors Allard and Ehmann. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Oaths and Statements. Mr. Yale told the Board that the Public Employee Blanket Bond covering the five positions of Director of the District would continue in force and effect. Copies of the executed Oaths and Statements are attached to these minutes as exhibits.

Election of Officers. The Directors next considered the need to reconstitute the Board of Directors, pursuant to the requirements of Section 49.054(b), Texas Water Code. After discussion, upon a motion duly made and seconded, the Board voted unanimously to elect the Directors to the offices indicated:

|                   |   |
|-------------------|---|
| Sherry Allard     | President   |
| Robert Ehmann     | Vice President                                    |
| David C. Guerrero | Secretary/Treasurer                               |
| Jeff Gobbell      | Assistant Vice President<br>& Assistant Secretary |
| Joe Fratangelo    | Assistant Secretary                               |

Then, upon a motion duly made and seconded, the Board voted unanimously to authorize Coats Rose to prepare a revised District Registration Form and file same with the TCEQ.

## **OPERATOR'S REPORT**

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

Water Plant Operations. Mr. Ashcraft reported that the billed to pumped ratio for the prior month was 104.5% and that the District has 868 service connections, including two vacant single-family residences. He noted that surface water received from the

NHCRWA accounted for 15% of the water distributed to the District's customers during the period ending 11 April 2025.

Utility Operator's Report. Mr. Ashcraft 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. Ashcraft reviewed with the Board the cover page from the Operator's Report for the Plant dated 7 May 2025, a copy of which is included with the Operator's Report.

Water Plant No. 2 / Booster Pump No. 3. Mr. Ashcraft reported that booster pump No. 3 (the "Booster Pump") had gone out of service and would need to be repaired or replaced. He called the Board's attention to a quote from Inframark to repair the Booster Pump at a cost of \$17,487.00 or replace the Booster Pump at a cost of \$26,891.00. A copy of the quote from Inframark 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 Inframark to replace the Booster Pump. 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. Ashcraft, 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. Mr. Schuett reported that parts of the ridge cap on the roof of the District Office were missing. Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Office Report; and (2) authorize Mr. Schuett to repair the ridge cap.

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 7 May 2025 is attached hereto as an exhibit.

**KLEINWOOD MAINTENANCE FUND ("KMF")**

Director Gobbell presented a report on the activities of the KMF. He informed the Board that the directors of the KMF had voted to reimburse the District in the amount of \$5,200.00 for the improvements and corrective measures (the "Corrective Measures") undertaken earlier this year at the swimming pool area at the Kleinwood Clubhouse. Director Gobbell noted that the reimbursement amount reflects 40% of the cost for the Corrective Measures.

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 22 May 2025  
Attachments

1. Attendance Sheet;
2. Peace Officer's Report;
3. Detention Facilities Report;
4. Proposal from Champions Hydro-Lawn, Inc.;
5. Tax Assessor/Collector's Report;
6. Engineer's Report;
7. Estimate of Construction Cost / Water Plant No. 1 Replacement;
8. Memorandum / HOA meetings;
9. Arbitrage Rebate and Project Fund Yield Restriction Report;
10. Annual Power Usage Report;
11. Oath of Office and Statement of Officer for Sherry Allard;
12. Oath of Office and Statement of Officer for Robert Ehmann;
13. Operator's Report;
14. District Office Report;
15. Bookkeeper's Report; and
16. KJPB draft meeting minutes.