

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

26 June 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 26th day of June 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:

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

and all of said persons were present, with Director Guerrero attending by teleconference, thus constituting a quorum. The Board noted that Director Guerrero could participate in the discussions but could not vote on matters before the Board at this meeting, pursuant to Section 551.127 of the Texas Government Code.

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; 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. Gonzalez and Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); Tom Liewer, a resident of the District; and Will Yale and David Green of Coats Rose, P.C. ("Coats Rose"), Attorney for the District. Attending the meeting by teleconference was Dick Yale of Coats Rose.

Director Allard called the meeting to order.

**HEAR FROM THE PUBLIC**

The President recognized Mr. Liewer, who addressed the Board regarding the interruption of water service in the District on the evening of 24 June 2025. Mr. Zilko stated that the service outage was caused by a breach in a 6-inch District water line. Mr. Liewer inquired as to whether the District has a procedure for disseminating information to the District's customers when a service outage occurs. Mr. Green remarked that the District

does not have an automated system for sending out alerts by electronic mail or text message to the District's customers.

### **MINUTES OF THE MEETING OF 22 MAY 2025**

The minutes of the meeting of the Board held on 22 May 2025, previously distributed to the Board, were presented for consideration and approval. After discussion, during which Director Ehmann stated that he would abstain, upon a motion duly made and seconded, the Board voted 3 to 0 in favor of approving the minutes of 22 May 2025, as written.

### **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. Mr. Griffith noted that there are four "No Trespassing" signs (the "Signs") on the Detention Pond site. He added that CHL is working to straighten the Signs. Mr. Griffith then informed the Board that CHL has an arborist on staff who can annually inspect the trees in the Detention Pond site.

The Board then discussed the condition of the wooden fence behind the H-E-B supermarket (the "Fence") that is located east of the Detention Pond site. Mr. Griffith remarked that the Fence was still in a condition of disrepair. Mr. Warner reported that he and Mr. Griffith met on-site with Denise Wilkes of the Community Association of Champion Woods Estates (the "CWE Association") on 29 May 2025 to review the condition of the Fence. During that meeting, said Mr. Warner, he located the property corners of the Detention Pond site to illustrate to Ms. Wilkes that the Fence is located entirely on a tract of land owned by Phillips Edison & Company ("Phillips"). Mr. Yale called the Board's attention to an electronic correspondence dated 3 June 2025 from Carolyn Cruise of Phillips, in which she acknowledged receipt of the letter from the District's Attorney regarding the condition of the Fence and stated that Phillips intends to have the Fence repaired by the end of this month. A copy of the electronic correspondence from Phillips is attached hereto as an exhibit.

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. 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 95.3% 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 12 checks written on the District's tax account. 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. Whittemore 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.

## **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 finalizing the foundation for the HPT Addition. He noted that the hydropneumatic tank was expected to be delivered within a few weeks, and the HPT Addition project might be completed by the end of August 2025.

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 and the Harris County Flood Control District. Agency approval from the City of Houston and Harris County Engineering Department is expected in the coming weeks, he told the Board. Mr. Warner stated that Quiddity would advertise for bids on the Rebuilding Project when approval has been received from all reviewing agencies.

Request for Reimbursement of Repair Costs for Water Line on Theiss Mail Route (the "Reimbursement"). Mr. Warner reported that the Risk Management Division of the Harris County Office of Management and Budget had rejected the District's claim for the Reimbursement (the "Claim"). He called the Board's attention to a letter dated 19 May 2025 from Velma Alexander, a claims adjuster for the Risk Management Division, which states that the Claim was denied because it was not submitted within 180 days of the date of loss for the District (31 August 2022). A copy of the letter is included with the Engineer's Report. Mr. Warner stated that he had notified Jennifer Almonte of Harris County Precinct 3 of the rejection of the Claim. Ms. Almonte, he continued, informed him that she would discuss this matter with Harris County Precinct 3 Commissioner Tom Ramsey. A discussion ensued regarding the Claim. In response to comments from

Director Guerrero, Mr. Zilko stated that the District's Operator was not aware of Harris County's procedures regarding the submission of claims for property damage at the time when the District's water line was damaged by Harris County contractors.

Requests For Service. Mr. Warner reported that the IDS Car Wash was now open for business. 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 accept the Engineer's Report.

### **ATTORNEY'S REPORT**

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

Legislative Update / 89th Texas Legislature (2025 – Regular Session). Mr. Yale reported that the District's Attorney was preparing a memorandum that summarizes certain bills approved by the Texas Legislature during the 2025 Regular Session that could affect the operation of water districts.

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 (the "Collection Contracts"), as an alternative to certain homeowner associations in the District administering their respective Collection Contracts. Mr. Yale reported that the District's Attorney had transmitted an electronic correspondence to the association managers for the Kleinwood Maintenance Fund (the "KMF"), the CWE Association, and the Falls at Champion Forest Property Owners Association (called "The Falls POA"), requesting that they confirm whether their respective associations had any objection to the District assuming the Collection Contracts. Earlier this date, he told the Board, Jenny Henrickson of SBB Management, the manager for the KMF, responded by electronic correspondence to say that the CWE Association and The Falls POA were not yet ready to make a decision on this matter.

Water Supply Agreement / Klein Independent School District ("Klein ISD"). The Board discussed the 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 reported that the District's Attorney had transmitted the Amended Agreement as approved at the Board's meeting on 22 May 2025 to Klein ISD. He stated that Angela Tekell of Spalding Nichols Lamp Langlois, the attorney for Klein ISD, had since contacted Coats Rose to express her objection to the provision in the Amended Agreement imposing a penalty rate for daily water usage by Klein ISD in excess of 115,000 gallons per day based on a 30-day average. A discussion ensued regarding the Amended Agreement. The Board then directed the District's Attorney to notify Ms. Tekell that the District would continue to bill

Klein ISD for water usage pursuant to the existing Water Supply Agreement until the District and Klein ISD both approve and execute the Amended Agreement.

Public Funds Investment Act Training. Mr. Yale informed the Board that Director Guerrero had successfully completed the Texas Public Funds Investment Act training on 22 May 2025. Attached hereto as an exhibit is a copy of the Certificate of Completion that was issued to Director Guerrero.

### **INTERLOCAL AGREEMENT / HARRIS-GALVESTON SUBSIDENCE DISTRICT**

Next, the Board considered approval of a proposed Interlocal Agreement between the District and the Harris-Galveston Subsidence District (the "Subsidence District") for District sponsorship of the "Learning to be Water Wise and Energy Efficient" program ("Water Wise") for fifth grade students for the 2025-2026 school year (the "HGSD Agreement"). Mr. Yale pointed out to the Board that under the HGSD Agreement the District would fund Water Wise sponsorships for 130 students at a listed cost of \$38.00 per student. Pursuant to the HGSD Agreement, he continued, the Subsidence District would issue to the District a groundwater credit equal to 84,000 gallons of water for each student sponsored by the District. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the HGSD Agreement and to authorize Director Allard to execute same. A copy of the HGSD Agreement as approved by the Board is attached hereto as an exhibit to these minutes.

### **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 99.3% 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 31% of the water distributed to the District's customers during the period ending 13 May 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 4 June 2025, a copy of which is included with the Operator's Report.

Critical Load Status. Mr. Zilko reported that the District's Operator had updated and submitted to Harris County, the Public Utility Commission of Texas, and other regulatory agencies a list of the District's facilities that qualify for critical load status (the "Critical Load List") pursuant to Senate Bill 361 as passed by the 81st Texas Legislature (2009). A copy of the Critical Load List is included with the Operator's Report.

Annual Fire Hydrant Inspection and Flushing. Mr. Zilko reported that the scheduled annual inspection and flushing of the fire hydrants in the District (the "Hydrant Inspection") was scheduled for the week of 14 July 2025. He called the Board's attention to a copy of a notice regarding the Hydrant Inspection that will be included as an insert with the bills that are distributed to the District's customers. A copy of the notice is included with the Operator's Report.

Water Plant No. 2. Mr. Zilko reported that the automatic transfer switch on the auxiliary generator had gone out of service and would have to be replaced at an estimated cost of \$50,000.00 (the "ATS Replacement"). He stated that the District's Operator would solicit a price quote for the ATS Replacement that would need to be reviewed and approved by two Directors prior to the next meeting of the Board.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Operator's Report; (2) authorize Directors Gobbell and Ehmann to review and approve the price quote for the ATS Replacement; and (3) authorize the District's Operator to proceed with the ATS Replacement subject to approval by Directors Gobbell and Ehmann. 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. A discussion ensued regarding the condition of the Walking Garden at Litchfield Lane and Squyres Road. Director Fratangelo remarked that the wooden rail fence at the Walking Garden had deteriorated and needed to be replaced. He then recommended the planting of native shrubs capable of surviving a hard freeze.

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

## **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 4 June 2024 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 KMF board of directors is considering the replacement of the existing lighting system at the tennis courts with an LED lighting system. Director Gobbell then stated that the KMF is considering repairs to the awning structure that provides shade on the eastern side of the Clubhouse that faces the swimming pool. He stated that the KMF was seeking cost participation by the District for the repairs to the awning structure (the "Awning Repairs"). After discussion, the Directors agreed that the District would pay the full cost for the Awning Repairs.

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

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Secretary, Board of Directors

SEAL

Kleinwood Municipal Utility District  
Meeting of 26 June 2025  
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Email from Phillips Edison & Company;
4. Tax Assessor/Collector's Report;
5. Delinquent Tax Report;
6. Engineer's Report;
7. Certificate of Completion / PFIA training;
8. Interlocal Agreement with Harris-Galveston Subsidence District;
9. Operator's Report;
10. District Office Report;
11. Bookkeeper's Report; and
12. KJPB draft meeting minutes.