

NOTES OF CANCELED MEETING
KLEINWOOD MUNICIPAL UTILITY DISTRICT
HARRIS COUNTY, TEXAS

25 September 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 25th day of September 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
Joe Fratangelo	Assistant Secretary
VACANT	Assistant Vice President & Assistant Secretary

and all of said persons were present with the exception of Directors Fratangelo and Allard. Because a quorum was not present, a meeting could not be held.

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"); Tom Liewer, a resident of the District; Jeff Gobbell, a former Director; Derek Michael representing Sales Revenue, Inc. ("SRI"); and Will Yale and David Green of Coats Rose, P.C., Attorney for the District.

Mr. Yale explained to those present that Mr. Gobbell had closed on the sale of his residence in the District on 27 August 2025 and was no longer residing in the District, and accordingly his term as a Director concluded on that date.

Attached hereto are copies of the following reports and documents that were distributed to those in attendance at the canceled meeting:

- Peace Officer's Report prepared by the Harris County Precinct 4 Constable's Office;
- Detention and Drainage Facilities Report prepared by CHL (the "Detention Facilities Report");
- Tax Assessor/Collector's Report prepared by Wheeler (the "Tax Report"), including the Delinquent Tax Report prepared by Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon");

- 2025 Tax Rate Analysis prepared by Blitch;
- Engineer's Report prepared by Quiddity;
- Operator's Report prepared by Inframark;
- District Office Report prepared by Mr. Schuett;
- Bookkeeper's Report prepared by Claudia Redden & Associates, L.L.C.;
- Draft minutes of the Kleinwood Joint Powers Board meeting; and
- Sales and Use Tax Allocation Report;

DETENTION AND DRAINAGE FACILITIES REPORT

Mr. Griffith reviewed with those present the Detention Facilities Report prepared by CHL in connection with the maintenance of the Champion Woods Estates Detention Pond.

TAX ASSESSOR/COLLECTOR'S REPORT

Then Ms. Whittemore reviewed the Tax Report. She noted that the District had collected 98.5% of its 2024 taxes. She also reviewed the Delinquent Collections Listing, as well as the Delinquent Tax Report prepared by Perdue Brandon.

FINANCIAL ADVISOR'S REPORT / REVIEW OF 2025 TAX RATE ANALYSIS

Mr. Blitch reviewed the 2025 Tax Rate Analysis. He recommended that the Board consider setting a debt service tax rate of \$0.268 per \$100 of assessed valuation for the 2025 tax year. Mr. Blitch then discussed with the Board the proposed 2025 maintenance tax rate for the District. He explained that the District could levy a maintenance tax rate of \$0.122 and therefore levy a total tax rate of up to \$0.39 per \$100 of assessed valuation without the necessity of an election by the qualified voters of the District to determine whether to approve the adopted tax rate.

ENGINEER'S REPORT

Mr. Warner reviewed the status of the following items:

Water Plant No. 2 / Hydropneumatic Tank Addition. Mr. Warner reported that CFG Industries, LLC (called "CFG") had completed the foundation and associated backfilling in preparation of the installation of the hydropneumatic tank (the "HPT"). He stated that the installation of the HPT was scheduled to commence on 24 September 2025.

Rebuilding of Water Plant No. 1 (the "Rebuilding Project"). Mr. Warner reported that five bids were received for the Rebuilding Project. He stated that the apparent low bid for the Rebuilding Project was submitted by R&B Group, Inc. (called "R&B"), which submitted the low base bid of \$5,232,000.00 and the low base bid plus supplemental items in the amount of \$5,235,000.00. A copy of the bid tabulation for the Rebuilding Project is included with the Engineer's Report. After discussion, Directors Ehmann and Guerrero expressed their desire for the contract for the Rebuilding Project to be awarded to R&B.

Status of Repairs to Roadways. Mr. Warner reported that several of the potholes identified by Director Fratangelo had been repaired by Harris County Precinct 3. He added that the District's Engineer plans to meet with Director Fratangelo in the District in the coming weeks to view additional areas that are in need of repair.

Requests for Service. Mr. Warner discussed with the Board the request from Harris County for Quiddity to review plans for certain restroom improvements to be constructed in Meyer Park (the "Plan Review"). He stated that Quiddity had requested a \$6,000.00 deposit from Harris County in connection with the Plan Review.

Mr. Warner then reported that Quiddity had received an inquiry regarding the availability of water and sanitary sewer capacity for a potential multi-family residential development that would be constructed in a 7.85-acre tract on Stuebner-Airline Drive that is outside the boundaries of the District. He stated that Quiddity had informed the developer of the need to place a deposit with the District in connection with the feasibility study and plan review.

Next, Mr. Warner reported that the District's Engineer had received an inquiry from a development team regarding the availability of water and sanitary sewer capacity for a potential development in a 1.64-acre tract located near the Detention Pond, outside the boundaries of the District. He stated that Quiddity had requested additional information regarding the development plan for the 1.64-acre tract.

Fence on H-E-B Supermarket Property. Mr. Warner reported that Quiddity had contacted Carolyn Cruise of Phillips Edison & Company ("Phillips") regarding the missing pickets in the fence near the southeast corner of the Detention Pond. According to Ms. Cruise, he told the Board, repairs to the fence will be included in Phillips's 2026 budget.

ATTORNEY'S REPORT

Mr. Yale presented the Attorney's Report.

Water Supply Agreement / Klein Independent School District ("Klein ISD"). Mr. Yale recalled that the proposed Amended and Restated Water Supply Agreement between the District and Klein ISD had been transmitted to Klein ISD for approval and execution.

OPERATOR'S REPORT

The President recognized Mr. Zilko, who presented the Operator's Report as follows:

Water Plant Operations. Mr. Zilko reported that the billed to pumped ratio for the prior month was 96.7% and that the District has 898 service connections, including two vacant single-family residences. He noted that surface water received from the North Harris County Regional Water Authority (the "NHCRWA") accounted for 68% of the water distributed to the District's customers during the period ending 13 August 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.

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 September 2025, a copy of which is included with the Operator's Report.

Customer Appeal. Mr. Zilko reviewed with the Board a correspondence from the customer at 16618 Bridgecreek Falls, who requested an adjustment on their water bill for the June through August 2025 billing periods. A copy of the correspondence is included with the Operator's Report.

REPORT ON OPERATION OF DISTRICT OFFICE

Mr. Schuett reviewed with those present the District Office Report. He reported that the hinges on the gate for the tennis courts would have to be repaired or replaced.

BOOKKEEPER'S REPORT

Mr. Schuett presented the Bookkeeper's Report on behalf of Claudia Redden & Associates, L.L.C., the District's Bookkeeper. He noted that the checks included in the Bookkeeper's Report would be presented for formal approval by the Board at the 23 October 2025 Board meeting.

SALES AND USE TAX ALLOCATION REPORT

Mr. Michael reviewed the Sales and Use Tax Allocation Report dated September 2025 prepared by SRI in connection with the limited purpose annexation of commercial property in the District under the Strategic Partnership Agreement between the District and the City of Houston.

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

Secretary, Board of Directors

SEAL

Kleinwood Municipal Utility District
Canceled Meeting of 25 September 2025
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Tax Rate Analysis;
5. Engineer's Report;
6. Operator's Report;
7. District Office Report;
8. Bookkeeper's Report;
9. KJPB draft meeting minutes; and
10. Sales Tax Report.