

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

23 October 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 23rd day of October 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 Director Allard, 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; Chris Zilko and 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"); Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); Larry Chamberlin representing the Kleinwood Maintenance Fund (the "KMF"); 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 Ehmann called the meeting to order.

**HEAR FROM THE PUBLIC**

The Vice President recognized Mr. Chamberlin, who addressed the Board regarding emergency repairs to the swimming pool at the District Office (the "Pool"). Mr. Chamberlin reported that the KMF was soliciting bids for the replacement of the filters and media for the Pool and would be requesting financial assistance from the District for this project. He then stated that the KMF intends to order a reserve study that would assist the KMF in determining the amount of funds to be put aside annually to cover the expenses for the maintenance of the Pool.

## **APPOINTMENT OF DIRECTOR**

The Board considered the items listed on the agenda pertaining to the appointment of a Director to the Board. Mr. Will Yale presented an ORDER APPOINTING DIRECTOR for the Board's review. He noted that the Order stipulates that Tom Liewer has agreed to serve as a Director of the District to fulfill the term of former Director Jeff Gobbell through May 2027. Upon a motion duly made and seconded, the Board voted unanimously to adopt the Order, a copy of which is attached hereto and shall be considered to be a part of these minutes. Director Liewer then presented his Oath of Office, Statement of Officer, and Affidavit for Director for the Board's review and approval. Upon a motion duly made and seconded, the Board voted unanimously to accept the referenced documents as presented, copies of which are attached hereto.

Mr. Yale noted that Director Liewer would need to complete the required Texas Open Government training (the "Training") within 90 days (21 January 2026). Attached hereto as an exhibit to these minutes is a copy of a memorandum from the District's Attorney regarding the Training.

## **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
Joe Fratangelo	Assistant Secretary
Tom Liewer	Assistant Vice President & Assistant Secretary

Then, upon a motion duly made and seconded, the Board voted unanimously to authorize the District's Attorney to prepare a revised District Registration Form and file same with the Texas Commission on Environmental Quality.

## **MINUTES OF THE MEETINGS OF 28 AUGUST 2025 AND 25 SEPTEMBER 2025**

The minutes of the meeting of the Board held on 28 August 2025, 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 28 August 2025, as written.

Mr. Yale then distributed to the Board copies of the Notes of Canceled Meeting of 25 September 2025 (which was canceled because there was not a quorum of Directors in attendance). Director Fratangelo requested a revision to page 1 of the Notes.

## **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. Director Liewer mentioned that there is a young oak tree on his property that he was interested in having transplanted, at his expense, to a certain location along Mintwood Lane that fronts the Detention Pond. Mr. Griffith stated that he would work with Director Liewer on this matter.

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 98.9% 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 five checks written on the District's tax account, and two transfers by wire as follows.

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.

## **CONSIDER SETTING TAX RATE FOR 2025**

Next, the Board discussed the proposed tax rate for the 2025 tax year (the "Tax Rate"). Mr. Blich submitted to and reviewed with the Board a copy of the 2025 Tax Rate Analysis as prepared by Blich. A copy of the 2025 Tax Rate Analysis is attached hereto as an exhibit to these minutes. 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. Blich 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. In the alternative, he continued, the District could continue to levy a debt service tax rate of \$0.266 per \$100 of assessed valuation and maintenance tax rate of

\$0.121 per \$100 of assessed valuation for a total tax rate of \$0.387 per \$100 of assessed valuation. A discussion ensued regarding the Tax Rate.

Then, upon a motion duly made and seconded, the Board voted 2 to 2, with Directors Guerrero and Liewer voting in favor, and Directors Ehmann Fratangelo opposed, to authorize publication of the tax rate calculation showing a debt service rate of \$0.268 per \$100 valuation and a maintenance tax rate of \$0.122 per \$100 valuation for a combined tax rate of \$0.39 per \$100 valuation. The motion failed for lack of a majority.

After further discussion, upon a motion duly made and seconded, the Board voted 3 to 1, with Directors Ehmann, Guerrero, and Liewer voting in favor, and Director Fratangelo opposed, to authorize publication of the tax rate calculation showing a debt service rate of \$0.266 per \$100 valuation and a maintenance tax rate of \$0.121 per \$100 valuation for a combined tax rate of \$0.387 per \$100 valuation. The Board agreed that the tax rate hearing would be held on Thursday, 20 November 2025.

### **ENGINEER'S REPORT**

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

Water Plant No. 2 / Hydropneumatic Tank Addition. Mr. Warner reported that CFG Industries, LLC was currently applying the interior and exterior coatings to the hydropneumatic tank (the "HPT"). He stated that construction of the HPT was expected to be substantially complete by mid-November.

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. Mr. Warner then stated that Coats Rose had reviewed the bonds and insurance submitted by R&B in connection with the Rebuilding Project and had determined that all were found to be in order. Attached hereto as an exhibit is a copy of the memorandum from Coats Rose regarding the bonds and insurance.

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 recalled that Quiddity had received an inquiry regarding the availability of water and sanitary sewer capacity for a potential multi-family residential development with 80 to 90 units 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.

Annual Water Plant Inspections. Mr. Warner requested authorization from the Board for the District's Engineer to perform inspections of the District's Water Plants Nos. 1 and 2 (the "Inspections") as required by the Texas Commission on Environmental Quality. He presented the Board with a proposal from Quiddity to perform the Inspections (the "Proposal"), a copy of which is attached hereto as an exhibit. He reviewed with the Board the options for the Inspections as listed in the Proposal. The Directors expressed their preference for Option "A."

Water Well Performance Reports. Mr. Warner reported that Quiddity had received and reviewed the Water Well Performance Reports as prepared by G-M Inspection Services, Inc. in connection with the District's Water Wells Nos. 2 and 3. He stated that both of the water wells are performing as expected and there were no issues to report at this time.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; (2) accept the low bid and award the contract for the Rebuilding Project to R&B; (3) authorize Director Ehmann to execute the construction contracts with R&B; and (4) accept the Proposal for the Inspections with Option "A." A copy of the Engineer's Report is attached hereto as an exhibit to these minutes.

## **ATTORNEY'S REPORT**

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

Water Supply Agreement / Klein Independent School District ("Klein ISD"). Mr. Yale reported that Klein ISD had approved and executed the Amended and Restated Water Supply Agreement between the District and Klein ISD. A copy of the executed Amended and Restated Water Supply Agreement is attached hereto as an exhibit to these minutes.

Arbitrage Rebate Calculation Report / Series 2020 Refunding Bonds. Mr. Yale submitted to and reviewed with the Board the Arbitrage Rebate Calculation Report dated 30 September 2025 (the "Arbitrage Report") as prepared by Arbitrage Compliance Specialists, Inc. ("ACSI") in connection with the 5th-year rebate installment computation period for the District's Series 2020 Refunding Bonds. A copy of the Arbitrage Report is attached hereto as an exhibit to these minutes. Mr. Yale informed the Board that ACSI prepared computations pertaining to the amount of the rebate installment payment with respect to the Series 2020 Refunding Bonds that would be due on or before 1 August 2029 from the District to the Internal Revenue Service (the "IRS"). ACSI determined that no rebate installment payment is due to the IRS and that there are no filing requirements

regarding arbitrage rebate with the IRS as of the date of this Arbitrage Report, he told the Board.

Interim Project Yield Restriction Calculations / Series 2021 Refunding Bonds. Mr. Yale reviewed with the Board the Interim Project Fund Yield Restriction Restrictions Calculations Report dated 30 September 2025 (the "Calculations Report") for the interim computation period of 29 July 2024 to 29 July 2025 for the District's Series 2021 Bonds as prepared by ACSI. A copy of the Calculations Report is attached hereto as an exhibit to these minutes. He pointed out to the Board that, according to ACSI, there is a total interim yield restriction liability of \$7,069.92 for the Series 2021 Bonds that is continuing to accrue. Mr. Yale noted that there were no filing requirements regarding yield reduction with the IRS as of the date of the Calculations Report.

### **FORMAL APPROVAL / MERCHANT ATTESTATION AND AMENDMENT OF AGREEMENT**

Next, the Directors considered formal approval of their action at their meeting of 28 August 2025, at which they approved the Merchant Attestation and Amendment of Agreement and ECP Addendum Terms between the District and Paymentech, LLC, on behalf of JPMorgan Chase Bank, N.A., in connection with the transition by Inframark from AVR to Starnik and StarnikPay for the online billing and payment processing of the District's utility service accounts. After discussion, upon a motion duly made and seconded, the Board voted unanimously to formally approve said action.

### **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 94.5% and that the District has 898 service connections, including three vacant single-family residences. He noted that surface water received from the North Harris County Regional Water Authority (the "NHCRWA") accounted for 59% of the water distributed to the District's customers during the reporting period.

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 1 October 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, when the monthly usage totaled 88,000 gallons, 137,000 gallons, and 112,000 gallons, respectively. A copy of the correspondence is included with the Operator's Report. Mr. Zilko stated that water usage

at the residence for September totaled 9,000 gallons. A plumber engaged by the customer found no water leaks in the residence, he told the Board. After discussion, the Directors declined to take any action on this matter.

Mr. Zilko then informed the Board that he plans to retire at the end of this year. The Directors expressed their appreciation for the service rendered to the District by Mr. Zilko.

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

### **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. Mr. Schuett discussed with the Board the need to replace the blower motor for one of the air conditioning units in the District Office. He stated that he had obtained a price quote in the amount of \$766.00 for replacing the blower motor (the "Motor Replacement"). Mr. Schuett then reported that he was working with the District's Operator to resolve certain issues with the water pressure in the District Office. He mentioned that the wooden fence on the north side of the parking lot would be repainted and certain pickets would be replaced.

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 proceed with the Motor Replacement at a cost not to exceed \$766.00.

### **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 1 October 2025 is attached hereto as an exhibit. Mr. Yale distributed to the Board copies of the final Audit Report for the KJPB for the fiscal year ended 31 May 2025 as prepared by Mark C. Eyring, CPA, PLLC. A copy of the final Audit Report for the KJPB is attached hereto as an exhibit.

### **KMF**

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

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 23 October 2025  
Attachments

1. Order Appointing Director;
2. Oath of Office, Statement of Officer, and Affidavit for Director;
3. Memorandum / Open Government Training;
4. Peace Officer's Report;
5. Detention Facilities Report;
6. Tax Assessor/Collector's Report;
7. Tax Rate Analysis;
8. Engineer's Report;
9. Memorandum / bonds and insurance on Water Plant No. 1 Rebuilding contract;
10. Proposal / inspection of Water Plants;
11. Amended and Restated Water Supply Agreement;
12. Arbitrage Rebate Calculation Report;
13. Interim Project Yield Restriction Calculations Report;
14. Operator's Report;
15. District Office Report;
16. Bookkeeper's Report;
17. KJPB draft meeting minutes; and
18. Annual Audit Report for KJPB.