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

23 July 2026

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 July 2026, 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
Tom Liewer	Assistant Vice President & Assistant Secretary

and all of said persons were present, with Director Allard attending by teleconference, thus constituting a quorum. The Board noted that Director Allard 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; Suzanne Villarreal representing McCall Gibson Swedlund Barfoot Ellis, PLLC ("McCall"), the Auditor for the District; David Warner, P.E., and Collin Hedges, E.I.T., 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 and John Rocha representing Champions Hydro-Lawn, Inc. ("CHL"); Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); Mark Ramsey, president of the board of directors of the North Harris County Regional Water Authority (the "NHCRWA"); Larry Chamberlin and Stephanie Dye representing the Kleinwood Maintenance Fund (the "KMF"); Alba Estes, 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 Ehmann called the meeting to order.

KLEINWOOD DOLPHINS SWIM TEAM (the "Swim Team")

The Vice President recognized Ms. Dye and Mr. Chamberlin, who addressed the Board on matters relating to the Swim Team. Ms. Dye requested authorization from the

Board for the Swim Team to use the swimming pool at the Kleinwood Clubhouse (the "Pool") during the 2027 season. After discussion, during which Director Liewer stated that he would abstain, upon a motion duly made and seconded, the Board voted 3 to 0 in favor of authorizing the use of the Pool by the Swim Team.

The Board then considered purchasing a sponsorship for the Swim Team for the 2027 season (the "Sponsorship"). After discussion, upon a motion duly made and seconded, the Board voted unanimously to purchase a Sponsorship at a cost of $500.00.

MINUTES OF THE MEETING OF 25 JUNE 2026

The minutes of the meeting of the Board held on 25 June 2026, 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 25 June 2026, as written.

PEACE OFFICER'S REPORT

The Vice 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.

NHCRWA

The Vice President recognized Mr. Ramsey, who addressed the Board regarding the status of the NHCRWA. A discussion ensued between the Board and Mr. Ramsey regarding the NHCRWA's long-term bond debt and the possible effect of same on the well pumpage fees and surface water fees charged by the NHCRWA to the water districts within its boundaries.

DETENTION AND DRAINAGE FACILITIES REPORT

The Vice President recognized Mr. Rocha, 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. Rocha reported that CHL would soon be installing four "No Trespassing" signs on the Detention Pond site. 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 Vice 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 97.7% of its 2026 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 four 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.

ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED 31 MARCH 2026

The Vice President recognized Ms. Villarreal, who submitted to and reviewed with the Board the draft Annual Financial Report for the District (the "Report") for the fiscal year ended 31 March 2026 (the "Fiscal Year"). She reviewed with the Board (1) the District's combined fund balances as of the end of the Fiscal Year; (2) the District's total net assets; (3) the District's capital assets; (4) the amount of the District's bonded debt payable; (5) the Notes to Financial Statements; and (6) the Statement of Net Position and Governmental Funds Balance Sheet. Ms. Villarreal reviewed with the Board the draft Management Letter prepared in connection with the Report.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to: (1) approve the draft of the Annual Financial Report for the District for the fiscal year ended 31 March 2026, subject to review and comment by District's Directors and consultants; (2) authorize Ms. Villarreal to finalize the Annual Financial Report; (3) authorize execution of the Letter of Representations to McCall; and (4) authorize Coats Rose to file the finalized Annual Financial Report with the Texas Commission on Environmental Quality and other governmental and regulatory agencies as required. A copy of the draft Annual Financial Report is filed in the permanent records of the District. Attached hereto as an exhibit to these minutes is a copy of the Letter of Representations.

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"). Mr. Warner reported that CFG Industries, LLC ("CFG") is addressing the remaining punch list items for the HPT project, which include the final grading of the outfall swale and the site restoration. He stated that CFG was expected to complete the punch list items by the end of the month.

Water Plant No. 1 Replacement. Mr. Warner reported that R&B Group, Inc. ("R&B") had previously completed the demolition of the existing facilities and is proceeding with excavation for the driveway and the hydropneumatic tank foundations. Mr. Warner then reported that R&B had submitted Pay Application No. 1 in the amount of $431,822.97 in connection with the Water Plant No. 1 replacement project. A copy of Pay Application No. 1 is included with the Engineer's Report.

Requests for Service. Mr. Warner discussed with the Board the request for water and sanitary sewer capacity for the proposed commercial development in a 4.4-acre tract located at Cypresswood Drive and Stuebner Airline Road, a portion of which is located outside the boundaries of the District. He stated that Quiddity is reviewing the fourth set of plans for the gas station and retail store to be located at 6945 Cypresswood Drive.

Then Mr. Warner discussed the inquiry regarding water and sanitary sewer service for a proposed coffee shop to be constructed in the vacant tract on Louetta Road immediately east of the IDS Carwash. He recalled that Quiddity had requested a preliminary site layout and a formal request for water and sanitary sewer capacity and had informed the developer that the plan review deposit and plan approvals would be required before any water or sanitary sewer connections can be made. He added that the developer has not responded to recent inquiries from Quiddity.

Analysis of Water and Sanitary Sewer Rates (the "Rate Analysis"). Mr. Warner reported that Quiddity completed the Rate Analysis and will present recommendations at a future meeting of the Board for possible adjustments to the rates charged for water and sanitary sewer service.

Pavement Repairs. Mr. Warner reported that Quiddity is continuing to coordinate with Jennifer Almonte of Harris County Precinct 3 regarding the requested paving repair locations along Lobo Lane, Litchfield Lane, and Squyres Road in the District. He stated that Quiddity was recently informed by Precinct 3 that the pavement repairs are scheduled to commence at the end of this month.

Sanitary Sewer Line on Lyons School Road (the "Sewer Line"). Mr. Warner reviewed with the Board drafts of the letters to be transmitted to the building management for the Lyons Court Condominiums and the Ellis at Champions Apartments located near Lyons School Road and Stuebner Airline Road, requesting that they reduce the quantity of fats, oils, and grease (called "FOG") being introduced into the District's sanitary sewer system. Both of the letters, he told the Board, inform the recipients that (1) the District may require the installation of a grease interceptor or alternative FOG mitigation system at the owner's expense; and (2) the District reserves the right under its Consolidated Rate Order to issue additional fines if excessive FOG continues to be observed entering the District's wastewater collection system from these locations.

NHCRWA / Public Forum. Mr. Warner reported that representatives of Quiddity attended the public forum conducted by the NHCRWA on 30 June 2026.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Engineer's Report; and (2) authorize payment of Pay Application No. 1 to R&B. A copy of the Engineer's Report is attached hereto as an exhibit.

ATTORNEY'S REPORT

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

Approval of Certified Agenda. The Directors considered approval of the certified agenda for the executive session of 25 June 2026. After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the certified agenda for the executive session of 25 June 2026 as written.

Resolution Authorizing Action by a Kleinwood Joint Powers Board Member. Mr. Yale focused the Board's attention on an electronic correspondence from Mark Brooks of Young & Brooks, Attorneys at Law, the attorney for the Kleinwood Joint Powers Board (the "KJPB"), regarding the proposed lift station generator replacement and air supply piping Phase 2 projects at the Kleinwood Regional Wastewater Treatment Plant (collectively, the "Plant Projects"). A copy of the electronic correspondence is attached hereto as an exhibit to these minutes. The Board noted that the preliminary cost estimate for the Plant Projects is $1,742,000.00. Mr. Yale remarked that pursuant to the Agreement for the Ownership, Operation, Maintenance and Expansion of the Kleinwood Regional Wastewater Facilities (the "Plant Agreement"), as amended, each party to the Plant Agreement would be required to provide written authorization for the Plant Projects. Mr. Yale then submitted for the Board's review and approval a RESOLUTION AUTHORIZING ACTION BY A KLEINWOOD JOINT POWERS BOARD MEMBER (the "Resolution"). He pointed out to the Board that the Resolution includes a provision stating that the District would pay no more than its pro rata share for the cost of the Plant Projects, pursuant to the terms of the Plant Agreement.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) authorize the Plant Projects; and (2) adopt the Resolution. A copy of the Resolution is attached hereto and shall be considered to be part of these minutes.

Security Service Contract. The Board considered approval of the Security Service Contract for the term of 1 October 2026 through 30 September 2027. Mr. Yale remarked that, to date, the Constable's Office had not provided Coats Rose with the document. He remarked that the Constable's Office would likely require the District to execute and return the Security Service Contract as soon as possible after it is made available. A discussion ensued regarding the Security Service Contract and possible alternatives to patrols being conducted by Deputies from the Constables Office.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to approve the Security Service Contract and to authorize Director Ehmann to execute same, subject to review by the District's Attorney.

REVIEW OF DISTRICT'S INVESTMENT POLICY

Next, the Board reviewed the District's investment strategies, pursuant to the requirements of the Public Funds Investment Act. The Board reviewed the strategies for each of the District's accounts. The Board also reviewed the List of Authorized Brokers included as Exhibit "A" to the RESOLUTION EVIDENCING REVIEW OF INVESTMENT POLICY AND INVESTMENT STRATEGIES. After discussion, upon a motion duly made and seconded, the Board voted unanimously to adopt the Resolution, a copy of which is attached hereto as an exhibit to these minutes.

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 96.2% and that the District has 897 service connections, including two vacant single-family residences. He noted that surface water received from the NHCRWA accounted for 100% of the water distributed to the District's customers during the period ending 12 June 2026.

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 1 July 2026, a copy of which is included with the Operator's Report.

Repairs to Water Line Valves. Mr. Ashcraft reported that repairs are in progress to the water line valves as identified in the Valve Survey Summary of Recommended Repairs that was presented at the Board's meeting on 25 June 2026.

H-E-B Supermarket / Water Line Leak. Mr. Ashcraft reported that a director of a nearby water district notified Inframark of an ongoing water line leak (the "Leak") on the property where the H-E-B Supermarket in the District is located. He stated that H-E-B management was aware of the Leak and had tried, unsuccessfully, to have the matter addressed by Phillips Edison & Company, which owns the property where the H-E-B Supermarket is located. Mr. Ashcraft continued that H-E-B management elected to have its contractor repair the Leak. He added that Inframark provided assistance to isolate the Leak so that it could be repaired.

Water Plant No. 2 Inspection. Mr. Ashcraft reported that the repair to the bolt on the ground storage tank had been completed.

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 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.

Walking Park. Mr. Schuett reviewed with the Board a proposal from Brookway Horticultural Services, Inc. for repairs to the irrigation system at the Walking Park (the "System Repairs") at a cost of $637.65. A copy of the proposal is included with the Office Report.

Swim Team / Use of Kleinwood Clubhouse. Mr. Schuett reported that the Swim Team had submitted an application for the use of the Clubhouse for its monthly meetings. A copy of the application is included with the Office Report. A discussion ensued between the Board and Ms. Dye regarding the storage of items owned by the Swim Team at the Clubhouse.

Then, after review, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Office Report; and (2) accept the proposal from Brookway for the System Repairs.

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 July 2026 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.

SEAL

Secretary, Board of Directors

Kleinwood Municipal Utility District
Meeting of 23 July 2026
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Auditor's Letter of Representations;
5. Engineer's Report;
6. Email from Young & Brooks;
7. Resolution Authorizing Action by Kleinwood Joint Power Board Member;
8. Resolution Evidencing Review of Investment Policy;
9. Operator's Report;
10. District Office Report;
11. Bookkeeper's Report; and
12. KJPB draft meeting minutes.