

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

27 August 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 27th day of August 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 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; 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"); Sergeant M. Gonzales and Deputy J. Gomez with Harris County Precinct 4 Constable's Office (the "Constable's Office"); Will Yale and David Green of Coats Rose, P.C. ("Coats Rose"), Attorney for the District; Wayne Goodrick and Larry Chamberlin representing the Kleinwood Maintenance Fund (the "KMF"); Zach Divin of Aquatic Management; and Stephanie Dye, a resident of the District. Attending the meeting by teleconference was Dick Yale of Coats Rose.

Director Ehmann called the meeting to order.

KLEINWOOD CLUBHOUSE / SWIMMING POOL (the "Pool")

The Vice President recognized Mr. Chamberlin, who addressed the Board on matters relating to the Pool. He stated that the Pool had been closed following a recent inspection because of certain issues with the perimeter fence, as follows: (1) anchors holding the metal fence to the brick columns are deteriorated and must be replaced; (2) the gap between the column and the fence needs be less than 4 inches; (3) the chain link fence has multiple posts with deterioration at the bottom; and (4) there are multiple

areas on the chain link fence that are not secure at the bottom and can be lifted up (collectively, the "Fence Items"). Mr. Chamberlin stated that the KMF desires to have the Fence Items addressed in time for the Pool to pass inspection and reopen for the Labor Day holiday weekend. He stated that KMF intends to engage a fence contractor recommended by Aquatic Management to repair the Fence Items (the "Fence Repairs"). Mr. Divan estimated that the cost for the Fence Repairs would not exceed \$3,000.00. Mr. Chamberlin stated that the KMF would initially pay for the Fence Repairs and then ask the Board to consider contributing to the cost. The Directors expressed no opposition to the KMF proceeding with the Fence Repairs as described above.

HEAR FROM THE PUBLIC

The Vice President recognized Ms. Dye, who expressed her interest in serving as a Director if a position on the Board becomes available.

MINUTES OF THE MEETING OF 23 JULY 2026

The minutes of the meeting of the Board held on 23 July 2026, 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 the meeting of 23 July 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.

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 the installation of four "No Trespassing" signs at the Detention Pond site was complete. 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 98% of its 2025 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 13 checks written on the District's tax account,

and two transfers by wire as follows: a transfer of \$15,811.86 in revenues from the tax for maintenance and operations to the District's Operating Fund and \$50,000.00 to the Debt Service Fund.

Ms. Whittemore then informed the Board that Wheeler desires to begin paying the District's quarterly assessments to the Harris Central Appraisal District (the "HCAD Assessments") through Automated Cleaning House ("ACH") electronic payments rather than by physical checks.

Then, after discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) approve the Tax Assessor/Collector's Report and to authorize payment of the checks listed therein; and (2) authorize Wheeler to pay future HCAD Assessments through ACH electronic payments.

ENGINEER'S REPORT

The Vice 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 recently completed the remaining punch list items for the HPT project and accordingly Quiddity will soon schedule the final inspection.

Water Plant No. 1 Replacement. Mr. Warner reported that R&B Group, Inc. ("R&B") is continuing with the excavation for the underground piping distribution and is proceeding with the installation of the hydropneumatic tank foundations. He then reported that R&B had submitted Pay Application No. 2 in the amount of \$93,774.90 in connection with the Water Plant No. 1 replacement project. A copy of Pay Application No. 2 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 the design team for the developer is expected to submit to Quiddity a fifth set of plans for the gas station and retail store to be located at 6945 Cypresswood Drive.

Mr. Warner then reported that Quiddity was recently notified by the owner of Kleinwood Center that they are considering a new tenant for the space currently occupied by Club Pilates. The proposed tenant, he continued, would be Sourdough & Co., which will serve food. Mr. Warner stated that Quiddity informed the owner of Kleinwood Center of the District's requirement for installing an in-ground gravity grease interceptor.

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 noted that Precinct 3 had recently completed the paving repairs between 16502 and 16510

Squyres Road and is currently working on repairs near the intersection of Litchfield Lane and Heiden Circle.

Sanitary Sewer Line on Lyons School Road (the "Sewer Line"). Mr. Warner reported that Quiddity had transmitted letters 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. He stated that the management of both establishments responded to Quiddity that they had notified their residents regarding the proper disposal of FOG. Mr. Warner added that he had discussed with Inframark the possibility of periodically checking the manholes on the sanitary sewer lines serving the Condominiums and Apartments for the presence of FOG, as well as the possible installation of sampling wells.

Analysis of Water and Sanitary Sewer Rates (the "Rate Analysis"). Mr. Warner submitted to and reviewed with the Board the Rate Analysis prepared by Quiddity that includes two options for possible adjustments to the rates charged for water and sanitary sewer service (the "Rate Adjustments"), labeled as Option A and Option B. A copy of the Rate Analysis is attached hereto as an exhibit to these minutes. Mr. Warner pointed out that the District's Operator had prepared a comparison of water and sanitary sewer rates for the commercial customers in the District (the "Commercial Rates") with those charged by five water districts adjacent to the District (the "Rate Comparison"). A copy of the Rate Comparison is included with the Operator's Report attached hereto. A lengthy discussion ensued regarding the information in the Rate Analysis and the Rate Comparison. Mr. Ashcraft remarked that only two of the water districts adjacent to the District have Commercial Rates that are lower than those charged by the District. Mr. Warner noted that most of the proposed Rate Adjustments would affect the commercial, multi-family, and car wash customers in the District.

After discussion, the Board directed Mr. Warner to recalculate the Rate Adjustments in Options A and B in the Rate Analysis so that the water and sewer rates to be charged to the District's single family residence customers would remain at the current rate. Mr. Warner stated that he would present the revised Rate Analysis at a future meeting of the Board.

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. 2 to R&B.

ATTORNEY'S REPORT

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

Development Status of the District. Mr. Dick Yale informed the Board that pursuant to Section 49.236 of the Texas Water Code as amended by Senate Bill 2 ("SB 2") as approved by the 86th Texas Legislature – Regular Session (2019), the District must determine whether it is a "developed district" or a "developing district" with regard to the

Truth-In-Taxation requirements promulgated by SB 2. He stated that the District's Engineer had confirmed that the District was a developed district because to date the District has financed, completed, and issued bonds to pay for all land, works improvements, and appliances necessary to serve at least 95% of the projected build-out of the District. Mr. Green submitted for the Board's review and approval a RESOLUTION DECLARING DEVELOPMENT STATUS OF DISTRICT FOR 2026 TAX YEAR. He explained that the Resolution states that the Board has declared the District to be a developed district as defined by Section 49.23602 of the Texas Water Code for the 2026 tax year. After discussion, upon a motion duly made and seconded, the Board voted unanimously to adopt the Resolution, a copy of which 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. Green reported that, subsequent to the Board's meeting on 23 July 2026, the Constable's Office provided Coats Rose with the Security Service Contract. He stated that the Security Service Contract was executed by Director Ehmann, as authorized by the Board at the meeting on 23 July 2026, and was then returned to the Constable's Office. A copy of the Security Service Contract as executed by Director Ehmann is attached hereto as an exhibit.

OPERATOR'S REPORT

The Vice 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 98.5% and that the District has 897 service connections, including four vacant single-family residences. He noted that surface water received from the North Harris County Regional Water Authority (the "NHCRWA") accounted for 100% of the water distributed to the District's customers during the period ending 12 July 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 5 August 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.

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 Vice 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 Vice 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 he was continuing to replace pickets in the wooden fence (the "Fence") located between the Kleinwood Clubhouse tract and the sports facility located at 16666 Kleinwood Drive (the "Sports Facility"). He explained that the Fence is frequently damaged by impacts from soccer balls or baseballs from the Sports Facility. After discussion, the Board directed the District's Attorney to transmit a letter to the operator of the Sports Facility regarding the damage being caused to the Fence. 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 5 August 2026 is attached hereto as an exhibit

KLEINWOOD MAINTENANCE FUND ("KMF")

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

Kleinwood Municipal Utility District
Meeting of 27 August 2026
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Engineer's Report;
5. Rate Analysis – Option A;
6. Rate Analysis – Option B;
7. Resolution Declaring Development Status;
8. Security Service Contract;
9. Operator's Report;
10. District Office Report;
11. Bookkeeper's Report; and
12. KJPB draft meeting minutes.

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


Secretary, Board of Directors

