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

24 September 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 24th day of September 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 and 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; Bill Blitch of Blitch Associates, Inc. ("Blitch"), the District's Financial Advisor; 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"); Derek Michael representing Sales Revenue, Inc. ("SRI"); 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 CLUBHOUSE / SWIMMING POOL

Mr. Yale reviewed with the Board an electronic correspondence from Jordan Terry of SBB Community Management, a copy of which is attached hereto, regarding the recent repairs undertaken by the Kleinwood Maintenance Fund (the "KMF") to the perimeter fence at the swimming pool at a cost of $2,586.00 (the "Fence Repairs"). He noted that Mr. Terry was requesting that the District reimburse KMF for 50% of the cost for the Fence

Repairs (the "Reimbursement"). After discussion, the Board declined to take any action at this time regarding the Reimbursement.

MINUTES OF THE MEETING OF 27 AUGUST 2026

The minutes of the meeting of the Board held on 27 August 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 27 August 2026, as written.

PEACE OFFICER'S REPORT

Mr. Yale distributed copies of the Peace Officer's Report as prepared by the Harris County Precinct 4 Constable's Office (the "Constable's Office"). A copy of the Peace Officer's Report is attached hereto. The Directors then discussed security related issues.

DETENTION AND DRAINAGE FACILITIES REPORT

The Vice 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.

The Directors also discussed the condition of the wooden fence behind the H-E-B supermarket (the "H-E-B Fence") that is located east of the Detention Pond site on property owned by Phillips Edison & Company ("Phillips"). Photographs of a deteriorated section of the H-E-B Fence (the "Deteriorated Section") are included in the Detention Facilities Report. The Board discussed with Mr. Will Yale the lack of response from Phillips as regards correspondence from Coats Rose requesting repairs to or replacement of the H-E-B Fence. Mr. Schuett then proposed constructing approximately 16 linear feet of wooden fence measuring 8 feet in height and consisting of 3/4-inch plywood panels with pickets on both sides as a replacement for the Deteriorated Section (the "Replacement Section").

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) accept the Detention Facilities Report; and (2) authorize Mr. Schuett to construct the Replacement Section at a cost not to exceed $2,500.00.

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 98.3% 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 10 checks written on the District's tax account and the transfer by wire of $40,000.00 to the Debt Service Fund.

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.

CONSIDER SETTING TAX RATE FOR 2026

Next, the Board discussed the proposed tax rate for the 2026 tax year (the "Tax Rate"). Mr. Blitch submitted to and reviewed with the Board a copy of the 2026 Tax Rate Analysis as prepared by Blitch. A copy of the 2026 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 $0.266 per $100 of assessed valuation for the 2026 tax year. Mr. Blitch then discussed with the Board the proposed 2026 maintenance tax rate for the District. He explained that the District could levy a maintenance tax rate of $0.1309 and therefore levy a total tax rate of up to $0.3969 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 $0.124 per $100 of assessed valuation for a total tax rate of $0.39 per $100 of assessed valuation. A lengthy discussion ensued regarding the Tax Rate.

Then, upon a motion duly made and seconded, the Board voted 3 to 0 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 $0.124 per $100 valuation for a combined tax rate of $0.39 per $100 valuation. The Board agreed that the tax rate hearing would be held on Thursday, 22 October 2026.

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 Addition"). Mr. Warner reported that Quiddity performed the final inspection of the HPT Addition project on 11 September 2026 and confirmed that CFG Industries, LLC ("CFG") had completed all the punch list items noted by the District's Engineer. He stated that CFG had submitted Pay Application No. 3 and FINAL in the amount of $132,100.00 in connection with the HPT Addition project. A copy of Pay Application 3 and FINAL is

included with the Engineer's Report. Mr. Warner then reviewed with the Board the following documents prepared by Quiddity: (1) Change Order No. 1 to the contract with CFG for the HPT Addition project, which deducts $4,500.00 from the contract price for unused items; and (2) the Certificate of Acceptance for the HPT Addition project.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) authorize payment of Pay Application No. 3 and FINAL to CFG; (2) approve Change Order No. 1 and authorize execution of same; and (3) accept the HPT Addition project and authorize execution of the Certificate of Acceptance. Copies of Change Order No. 1 and the Certificate of Acceptance as executed by the Board are attached hereto as exhibits to these minutes.

Water Plant No. 1 Replacement. Mr. Warner reported that the new hydropneumatic tanks (the "HPTs") were recently delivered to the site and were installed by the contractor, R&B Group, Inc. ("R&B"). He noted that R&B is continuing with the installation of underground piping and connections for the HPTs. Mr. Warner then reported that R&B had submitted Pay Application No. 3 in the amount of $201,284.82 in connection with the Water Plant No. 1 Replacement project. A copy of Pay Application No. 3 is included with the Engineer's Report. After discussion, upon a motion duly made and seconded, the Board voted unanimously to authorize payment of Pay Application No. 3 to R&B.

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 6945 Cypresswood Drive, a portion of which is located outside the boundaries of the District. He stated that the District's Engineer plans to attend a meeting with the team for the developer later this week to discuss the plan review comments.

Pavement Repairs. Mr. Warner reported that Quiddity is continuing to coordinate with 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 at the following locations: (1) east side of Heiden Cricle and Litchfield Lane intersection; (2) north of the intersection of Lobo Lane and Litchfield Lane; and (3) north of the intersection of Squyres Road and Litchfield Lane.

Sanitary Sewer Line on Lyons School Road (the "Sewer Line"). Mr. Warner recalled that earlier this year 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 remarked that the District's Operator will periodically check the manholes on the sanitary sewer lines serving the Condominiums and Apartments for the presence of FOG.

America's Water Infrastructure Act ("AWIA") Updates. Mr. Warner reported that Quiddity is finalizing the District's updated Emergency Response Plan (the "ERP") for

both water plants and plans to request the Board's authorization to submit the ERP to the U.S. Environmental Protection Agency prior to the deadline of 3 December 2026.

Analysis of Water and Sanitary Sewer Rates (the "Rate Analysis"). Mr. Warner submitted to and reviewed with the Board the revised 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. Copies of the revised Rate Analysis, Option A and Option B, are hereto as exhibits to these minutes. Mr. Warner stated that Options A and B in the Analysis had been revised pursuant to the discussion at the Board's meeting on 27 August 2026. He pointed out to the Board that under Options A and B there would be no Rate Adjustments applicable to the single-family residence customers in the District. Instead, he continued, the Rate Adjustments would be applicable to the following customer categories: commercial, car washes, Meyer Park (Harris County), Klein Independent School District (water only), non-taxable entities, multi-family buildings, and sprinklers for esplanades. Mr. Warner added that the Rate Adjustments included a slight increase in the Grease Trap Fee.

After discussion, the Directors expressed their desire to amend the District's Consolidated Rate Order (the "Rate Order") to incorporate the Rate Adjustments as defined in Option A of the Rate Analysis.

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

AMENDMENT TO RATE ORDER

Consideration was then given to amending the Rate Order with respect to the rates charged to the District's customers for water and sanitary sewer rates (the "Service Rates"). After discussion, upon a motion duly made and seconded, the Board voted unanimously to amend the Service Rates pursuant to Option A of the Rate Analysis attached hereto. A copy of the amended Rate Order is filed in the permanent records of the District.

ATTORNEY'S REPORT

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

Project Yield Restriction Calculations Report / Series 2021 Bonds. Mr. Yale submitted to and reviewed with the Board: (1) the Project Yield Restriction Calculations Report dated 18 September 2026 as prepared by Arbitrage Compliance Specialists, Inc. ("ACSI") in connection with the 5th year computation period for the District's Series 2021 Bonds; and (2) a copy of an electronic correspondence from Alyssa Facione of ACSI, copies of which are attached hereto as exhibits. Mr. Yale stated that, as determined by ACSI, there is a yield reduction payment due to the U.S. Internal Revenue Service (the "IRS") by the District in the amount of $12,790.85 that relates to the yield restriction requirements on the debt for the Series 2021 Bonds for the 5th year computation period

of 29 July 2024 to 29 July 2026. As explained by Ms. Facione, he continued, the District did a good job of maximizing the investment earnings on the Series 2021 bond proceeds. Ms. Facione noted that the restricted bond yield was 1.6% and the bond proceeds were invested at an average return of 4.3%, generating earnings in excess of $23,000.00 in the project fund. Mr. Yale then presented the Board with IRS Form 8038-T for execution by the Board in connection with the yield restriction payment.

After discussion, upon a motion duly made and seconded, the Board voted unanimously to (1) authorize the yield restriction payment to the IRS in the amount of $12,790.85; and (2) authorize execution and submission of Form 8038-T. A copy of Form 8038-T is attached hereto as an exhibit to these minutes.

Continuing Disclosure. Mr. Yale reported that the District's Financial Advisor will submit the necessary materials to fulfill the continuing disclosure requirements of the Securities and Exchange Commission ("SEC") pursuant to SEC Rule 15c2-12 prior to the deadline of 30 September 2026.

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 99.1% and that the District has 895 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 100% of the water distributed to the District's customers during the period ending 12 August 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 September 2026, a copy of which is included with the Operator's Report.

Repairs to Water Line Valves. Mr. Ashcraft reported that repairs are continuing 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.

Service Line Leak / Louetta Road. Mr. Ashcraft discussed with the Board a service line leak on Louetta Road that had been repaired by Inframark at a cost of approximately $2,500.00. He explained to the Board that the originator of the service call informed Inframark that the service line leak had been caused by a Harris County crew. After discussion, the Board declined to take any action with regard to seeking reimbursement from Harris County.

Sanitary Sewer Overflow. Mr. Ashcraft reported that an unauthorized discharge of wastewater had occurred at the corner of Squyres Road and Cypresswood Drive. He explained that the discharge was caused by a wiring issue in the automatic transfer switch and a fault in the uninterruptible power supply ("UPS") for the autodialing unit at the Plant. He stated that the wiring issues have been addressed and the UPS has been replaced.

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.

SALES AND USE TAX ALLOCATION REPORT

Mr. Michael submitted to and reviewed with the Board the Sales and Use Tax Allocation Report dated 24 September 2026 (the "Sales Tax Report") 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. A copy of the Sales Tax Report is attached hereto as an exhibit to these minutes.

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. He reported on the status of the District Office and the Walking Park. 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 2 September 2026 is attached hereto as an exhibit. Consideration was then given to appointing a Director to serve as an alternate representative of the District at meetings of the KJPB when Director Fratangelo is not available to attend (the "Alternate Representative"). After discussion, upon a motion duly made and seconded, the Board voted unanimously to appoint Director Liewer to serve as the Alternate Representative.

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

Secretary, Board of Directors

SEAL



Kleinwood Municipal Utility District
Meeting of 25 September 2026
Attachments

1. Peace Officer's Report;
2. Detention Facilities Report;
3. Tax Assessor/Collector's Report;
4. Delinquent Tax Report;
5. Tax Rate Analysis;
6. Engineer's Report;
7. Change Order No. 1;
8. Certificate of Acceptance;
9. Rate Analysis – Options A;
10. Rate Analysis – Options A;
11. Project Yield Restriction Calculations Report;
12. Email from Arbitrage Compliance Specialists, Inc.;
13. IRS Form 8038-T;
14. Operator's Report;
15. Sales Tax Report;
16. District Office Report;
17. Bookkeeper's Report; and
18. KJPB draft meeting minutes.