

FAR HILLS UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS MEETING

April 5, 2022

The Board of Directors (the "Board") of Far Hills Utility District (the "District") met in a special workshop session, open to the public, at the District's office, 10320 Cude Cemetery Road, Willis, Texas 77318, located within the boundaries of the District, on Thursday, April 5, 2022 at 5:00 p.m., pursuant to the notice of said meeting, whereupon, the roll was called of the members of the Board, to-wit:

James M. Haymon	President
Christopher A. Kuhl	Vice President/Tax Compliance Officer
Melinda M. Shelly	Secretary
David Bock	Assistant Secretary
J. Richard Cutler	Director

All members of the Board were present, thus constituting a quorum. Consultants in attendance were: Ms. Regina D. Adams (via teleconference) and Ms. Sholeh Abedinzadeh, attorneys, and Ms. Raechel Rodriguez (via teleconference), legal assistant, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorney for the District; Mr. Bill Blitch of Blitch & Associates, financial advisor for the District; Mr. Mark Ivy and Ms. Erica Mireles of M. Marlon Ivy & Associates, Inc. ("MMIA" or the "Operator"), operator for the District; and Mr. Tim Hardin, P.E. of Langford Engineering, Inc. ("Langford" or the "Engineer"), engineer for the District.

The President, after finding that notice of the meeting was posted and determining that a quorum of the Board was present, called the meeting to order at 5:30 p.m., and declared it open for such business as may come before the Board.

1. **Public Comment.** There was no public comment.
2. **Financial feasibility for developer reimbursement and District projects.** Mr. Blitch presented to and reviewed with the Board three (3) schedules of bond issuance options, copies of which are attached hereto.

Director Shelly entered the meeting at this time.

An extensive discussion ensued regarding prioritization of developer reimbursements projects and future District capital improvement projects, and the amount and timing of the District's next bond issuance.

Mr. Blitch recommended the Board add an item to the April 14th agenda to consider and take action on the amount of proposed bond issuance.

3. **Proposed future District projects, including water interconnect with Montgomery County Utility District No. 2 ("UD No. 2").** Mr. Hardin discussed with the Board the District's need to install an additional water well or establish an emergency interconnect with UD No. 2 to

provide an alternate redundant water supply source. A discussion ensued regarding how the District could proceed with financing such projects.

Director Cutler reported to the Board that he has had discussions with a UD No. 2 director that expressed UD No. 2's interest in sharing the costs of installing an emergency interconnect with the District. A discussion ensued regarding the process to begin discussions with UD No. 2. Director Cutler asked if the District has reserve funds to pay for the interconnect if bonds are not yet approved by Texas Commission on Environmental Quality at the time of construction of the interconnect. Ms. Adams and Mr. Hardin replied that the District does have available reserve funds.

It was the consensus of the Board to further consider the second bond amount option of \$7,245,000 at the April 14th Board meeting.

4. **Texas Trust Holdings LLC ("THT") feasibility study for 47.354 acres.** Mr. Hardin reviewed with the Board the feasibility study for the development of a 47.354-acre tract of land (the "Walker Tract"), a copy of which is attached hereto. A discussion ensued regarding the potential number of connections and necessary upgrades to District facilities that would be required to serve the proposed development. Director Kuhl asked if Montgomery County would have any input regarding a development of this size. Mr. Hardin responded that it would. A discussion also ensued regarding the different development options for the Walker Tract. Mr. Hardin noted that THT has not formally closed on the Walker Tract.

Adjournment. There being no further business to come before the Board, and upon motion by Director Bock, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to adjourn the meeting at 7:05 p.m.

Passed and approved this 12th day of May, 2022.




Secretary, Board of Directors