

FAR HILLS UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS MEETING

July 11, 2024

The Board of Directors (the "Board") of Far Hills Utility District (the "District") met in regular 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, July 11, 2024 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, except Director Shelly, thus constituting a quorum. Consultants in attendance were: Ms. Meredith King of Radcliffe Adams Barner PLLC ("RAB"), attorney for the District; Ms. Erika Mireles of M. Marlon Ivy & Associates, Inc. ("MMIA" or the "Operator"), operator for the District; Mr. Jacob Floyd, P.E. of Langford Engineering, Inc. ("Langford" or the "Engineer"), engineer for the District; Mr. Terry Holland of Myrtle Cruz, Inc. (the "Bookkeeper"), bookkeeper for the District; and Mr. Bill Blich of Blich Associates, Inc., financial advisor 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 5:07 p.m., and declared it open for such business as may come before the Board.

1. **Public Comment.** There was no public comment.
2. **Minutes.** The Board considered approval of the minutes of the June 19, 2024 regular Board meeting. Upon motion by Director Cutler, seconded by Director Kuhl, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the minutes of the June 19, 2024 regular Board meeting.
3. **Tax Assessor/Collector's Report.** A Tax Assessor/Collector's Report was not available at the time of the meeting.
4. **Delinquent Tax Attorney's Report.** There was nothing to report.
5. **Bookkeeper's Report.** Mr. Holland stated that the Bookkeeper's Report was not available at the time of the meeting. Mr. Holland then presented to the Board the checks for approval. Upon motion by Director Kuhl, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize payment of the bills, as presented.

6. **Update on status of proposed sale of the District's Unlimited Tax and Revenue Bonds, Series 2024 (the "Series 2024 Bonds")**. Mr. Blitch then updated the Board on the status of the proposed sale of the District's Series 2024 Bonds and noted that the draft staff memorandum and consent order from the Texas Commission on Environmental Quality ("TCEQ") was received, but contained incorrect and information the District was awaiting the TCEQ's revisions. Mr. Blitch recommended that the special Board meeting scheduled for July 24, 2024 be cancelled and noted he anticipated the sale of the District's Series 2024 Bonds at the August 8, 2024 Board meeting.

7. **Engineer's Report**. Mr. Floyd then reviewed the Engineer's Report, a copy of which is attached hereto.

Mr. Floyd reported that the design phase of the emergency interconnect with Montgomery County Utility District No. 2 was ongoing, and that Langford would produce the final plans and updated costs estimate for approval, once completed. Mr. Floyd reviewed the preliminary project schedule, a copy of which is attached to the Engineer's Report.

Mr. Floyd then stated that the smoke testing and manhole inspections in Shelter Bay Estates, Hawthorn Ridge and Far Hills subdivisions was completed. Mr. Floyd noted that Langford received the field reports and was in the process of analyzing the information to prepare a summary of repair and/or rehabilitation recommendations.

Upon motion by Director Kuhl, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Engineer's Report.

8. **Operations Report**. Ms. Mireles reviewed the Operations Report, a copy of which is attached hereto. Ms. Mireles reported that the District had 829 connections and a 97.69% water accountability ratio for the period ending June 18, 2024.

Ms. Mireles updated the Board on the condition of District facilities subsequent to Hurricane Beryl noting that the District facilities had electricity but a fence at Lift Station No. 1 was damaged and would be repaired.

Ms. Mireles also reported that the District was still awaiting fans for the cooling tower repairs.

Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Operations Report; and 2) authorize termination of service to delinquent accounts in accordance with the provisions of the District's Rate Order.

9. **General Maintenance of District Administration Building**. Director Kuhl stated that he received one (1) updated proposal for the renovation of the District Administration Building but was still awaiting a second (2nd) proposal.

10. **District facility landscape matters**. There was nothing to report.

11. **Attorney's Report, including adopt Order Designating Additional Meeting Places Outside the District**. After discussion, it was the consensus of the Board to take no action regarding the designation of additional meeting places.

12. **Election Agenda.** The Board discussed the November 5, 2024 Directors Election (the "Election"). Ms. King noted that Directors Shelly and Cutler were the incumbents.

Ms. King then noted that the District would receive a Joint Elections Agreement (the "Election Agreement") from Montgomery County (the "County") for the District's Election. Ms. King explained the purpose of the Election Agreement was to authorize the County to conduct the District's Election in conjunction with the County's election (the "Joint Election") unless the District's Election was cancelled. Ms. King then reported that, if the District's Election was not cancelled, the District would be required to submit payment to the County in connection with the administration of the Joint Election. Upon motion by Director Kuhl, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve and authorize: 1) execution of the Election Agreement, subject to receipt and review by RAB; and 2) payment to the County for the Joint Election, if necessary.

13. **Adjournment.** There being no further business to come before the Board, and upon motion by Director Cutler, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to adjourn the meeting at 5:35 p.m.

Passed and approved this 8th day of August, 2024.




Secretary, Board of Directors