

FAR HILLS UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS MEETING

October 9, 2025

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, October 9, 2025 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 Directors Haymon and Shelly, thus constituting a quorum. Consultants in attendance were: Ms. Regina D. Adams, attorney, and Ms. Raechel Rodríguez (via teleconference), paralegal, of Radcliffe Adams Barner PLLC ("RAB"), attorney for the District; Mr. Terry Holland of Myrtle Cruz, Inc. (the "Bookkeeper"), bookkeeper for the District; Mrs. Erika Donohoe and Mr. Sergio Torres of M. Marlon Ivy & Associates, Inc. ("MMIA" or the "Operator"), operator for the District; Mr. Tim Hardin, P.E. of Langford Engineering, Inc. ("Langford" or the "Engineer"), engineer for the District; and Mr. Bill Blich of Blich Associates, Inc. ("Blich" or the "Financial Advisor"), financial advisor for the District.

The Vice 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 5:00 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 September 11, 2025 regular Board meeting. Upon motion by Director Bock, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the minutes of the September 11, 2025 regular Board meeting.
3. **Tax Assessor/Collector's Report.** On behalf of Ms. Tammy McRae, the Montgomery County Tax Assessor/Collector, Mr. Holland reviewed with the Board the September Tax Assessor/Collector's Report, a copy of which is attached hereto. Upon motion by Director Cutler, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Tax Assessor/Collector's Report.
4. **Delinquent Tax Attorney's Report, including conduct public hearing on termination of delinquent tax accounts, as necessary.** The Board then reviewed the Delinquent Tax Report prepared by Perdue Brandon Fielder Collins & Mott, L.L.P., the District's Delinquent Tax Attorney, a copy of which is attached hereto.

The Vice President called the public hearing for termination of water for non-payment of delinquent tax accounts to order. The Vice President invited anyone to speak on the termination of service for non-payment of delinquent tax accounts and noted that there were no parties present to offer public comment. Ms. Adams noted that there were three (3) delinquent accounts slated for termination. The public hearing was adjourned.

Upon motion by Director Cutler, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize termination of service to eligible delinquent tax accounts.

5. **Bookkeeper's Report.** Mr. Holland presented to the Board the Bookkeeper's Report, including the Investment Report, Budget Summary, Energy Usage Report, and Billing/Collection Report, copies of which are attached hereto.

Upon motion by Director Bock, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Bookkeeper's Report; and 2) authorize payment of the bills reflected therein, as presented.

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

Mr. Hardin reported on the construction of the emergency interconnect with Montgomery County Utility District No. 2 ("MCUD No. 2") (the "Interconnect Project"). Mr. Hardin presented to the Board Change Order ("CO") No. 1 in the additive amount of \$5,865.40 from ISJ Underground Utilities, LLC ("ISJ") for labor and materials cost to install four (4) bends to divert the proposed water main away from fiber optic utilities within the right-of-way, a copy of which is attached to the Engineer's Report. Mr. Hardin noted that the Interconnect Project construction had commenced and the estimated completion date for same was January 6, 2026.

Mr. Hardin then reminded the Board that it accepted the bid from Sustanite Support Services, LLC ("Sustanite") of \$1,036,000.00 for the Wastewater Treatment Plant ("STP") improvement project (the "STP Project"). Mr. Hardin then reported that Sustanite furnished the required bonds and insurance certificates, signed the agreement and returned same for District approval and that RAB reviewed the bonds and insurance for same. Mr. Hardin then stated that, following approval of the construction agreement, Langford would coordinate with Sutsanite to schedule a pre-construction meeting.

Upon motion by Director Bock, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve: 1) the Engineer's Report; 2) CO No. 1 from ISJ in the additive amount of \$5,865.40; and 3) Construction Contract with Sustanite.

7. **Adopt Resolution Authorizing Use of Surplus Capital Project Funds for STP improvements.** Ms. Adams requested this item be tabled to revise the resolution's purpose.

8. **Operations Report.** Mr. Torres reviewed the Operations Report, a copy of which is attached hereto. Mr. Torres reported that the District had 849 connections and a 99.73% water accountability ratio for the period ending September 19, 2025.

Mr. Torres then reported that MMIA was preparing a proposal for the Lift Station No. 9 electrical repairs but needed to investigate additional repairs and upgrade alternatives.

Mrs. Donohoe then presented to the Board the Merchant Attestation and Amendment of Agreement and ECP Addendum Terms ("Merchant Agreement") with JPMorgan Chase Bank ("Chase") for billing software. Mrs. Donohoe noted that the District's billing software would convert to the new payment tech program in December 2025.

Upon motion by Director Cutler, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Operations Report; 2) authorize termination of service to delinquent accounts in accordance with the provisions of the District's Rate Order; and 3) approve the Merchant Agreement with Chase.

9. **General Maintenance of District Administration Building, including consider request to utilize parking lot.** Ms. Adams reported that Maroon City Valet requested to utilize the District's Administration Building parking lot for a private event within the District on Friday, December 12, 2025. Upon motion by Director Bock, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the request to utilize the parking lot, subject to execution of a Release of Liability and the District's receipt of the certificate of insurance.

10. **District facility landscape matters.** Director Cutler reported that the roses around the WP signage died and recommended replacing them with a low maintenance plant. Upon motion by Director Bock, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize Director Cutler to replace the roses at the WP signage with low maintenance plants.

11. **Attorney's Report, including report on required State agency database filings.** Ms. Adams reported that RAB filed the requisite State agency database filings on behalf of the District.

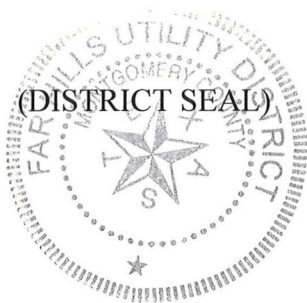
12. **Authorize voting representative to cast ballot on Association of Water Board Directors – Texas ("AWBD") Trustee Election and Bylaws Amendments.** Ms. Adams then reported that AWBD would be conducting a Bylaws Amendment Election from Monday, October 27, 2025 through Tuesday, January 27, 2026 to clarify verbiage regarding the AWBD Board of Trustees qualifications, terms and requirements. Ms. Adams noted that RAB confirmed with AWBD that Director Kuhl was the District's designated voting representative. Upon motion by Director Cutler, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize Director Kuhl to cast a ballot on behalf of the District in the AWBD Bylaws Amendment Election, as discussed.

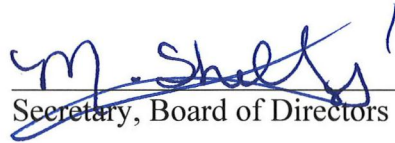
13. **Annual review of all Consultants' Contracts.** The Board then reviewed the District's consultants' contracts.

Mr. Blich then presented to and reviewed with the Board information from the Municipal Securities Rulemaking Board ("MSRB") in connection with the MSRB Rule G-10 ("Rule G-10"), a copy of which is attached hereto. Mr. Blich stated that the Rule G-10 requires the District's Financial Advisor to annually provide, in writing, the following items of information: (1) a statement that the Financial Advisor is registered with the U.S. Securities and Exchange Commission and the MSRB; (2) the website address for the MSRB; and (3) a statement as to the availability to the customer of an investor brochure that is posted on the website of the MSRB that describes the protections that may be provided by the MSRB rules and how to file a complaint with an appropriate regulatory authority. The Board then acknowledged receipt of the Rule G-10 notice from Blich.

14. **Adjournment.** There being no further business to come before the Board, the meeting was adjourned at 5:51 p.m.

Passed and approved this 13th day of November, 2025.




Secretary, Board of Directors