

**FAR HILLS UTILITY DISTRICT**  
**MINUTES OF BOARD OF DIRECTORS MEETING**

**December 11, 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, December 11, 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 Director Bock, thus constituting a quorum. Consultants in attendance were: Ms. Regina D. Adams, attorney, and Ms. Raechel Rodriguez, 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 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 November 13, 2025 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 November 13, 2025 regular Board meeting.
3. **Confirm engagement of Auditor for Fiscal Year Ending ("FYE") December 31, 2025.** The Board then reviewed the letter requesting confirmation of the Auditor's, McCall Gibson Swedlund Barfoot Ellis PLLC ("MGSBE"), engagement for preparation of the FYE December 31, 2025 audit (the "2025 Audit"), a copy of which is attached hereto. Ms. Adams noted a fee range of \$21,000 - \$23,000 for preparation of the 2025 Audit. Ms. Adams noted that the fee for preparation of the FYE December 31, 2024 audit was \$22,500. Upon motion by Director Kuhl, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to confirm the engagement of MGSBE.

4. **Authorize update of District capital asset values for audit preparation purposes.**

Ms. Adams explained that Langford assessed the District's asset schedule annually to provide MGSBE with an updated valuation of same for inclusion in the 2025 Audit. Mr. Hardin noted that Langford had updated the District's capital asset values.

5. **Tax Assessor/Collector's Report.** On behalf of Ms. Tammy McRae, the Montgomery County Tax Assessor/Collector, Mr. Holland reviewed with the Board the November Tax Assessor/Collector's Report, a copy of which is attached hereto. Upon motion by Director Shelly, seconded by Director Kuhl, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Tax Assessor/Collector's Report.

6. **Delinquent Tax Attorney's Report.** There was nothing to report at the time.

7. **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.

Mr. Torres then fielded questions from Director Cutler regarding operations invoices.

Upon motion by Director Kuhl, seconded by Director Shelly, 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.

8. **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 Pay Estimate ("PE") No. 2 in the amount of \$49,995.00 from ISJ Underground Utilities, LLC ("ISJ") for work performed on the Interconnect Project through November 20, 2025, a copy of which is attached to the Engineer's Report. Mr. Hardin reminded the Board that, in October, it previously approved CO No. 1 in the additive amount of \$5,865.40 from ISJ for labor and materials costs to install four (4) bends to divert the proposed water main away from the fiber optic utilities located within the right-of-way and presented same for execution. Mr. Hardin then reported on the status of the construction of the Interconnect Project.

With regard to the Wastewater Treatment Plant ("STP") improvement project (the "STP Project"), Mr. Hardin reported that Langford was reviewing contractor submittals and that construction would commence following the submittal and procurement phases on or about January 22, 2026.

Mr. Hardin noted that the STP coating inspection would coincide with coating applications associated with the STP Improvement Project.

Upon motion by Director Shelly, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) approve the Engineer's Report; and 2) approve PE No. 2 from ISJ in the amount of \$49,995.00.

Mr. Blich exited the meeting at this time.

9. **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 96.07% water accountability ratio for the period ending November 20, 2025.

Mr. Torres then reported that the President of the French Quarter Homeowner's Association ("FQ HOA") requested the fence at the District's Lift Station No. 12 be cleaned. Mr. Torres noted that the cost for such work would be \$700.00. An extensive discussion ensued. It was the consensus of the Board to take no action on this request.

Mr. Holland exited the meeting at this time.

Upon motion by Director Kuhl, seconded by Director Shelly, 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.

10. **Attorney's Report**

Adopt Order Changing Address of an Official Designated District Meeting Place ("Order Changing Address"). Ms. Adams presented to the Board the Order Changing Address, a copy of which is attached hereto. Ms. Adams reminded the Board that RAB was moving offices as of December 19, 2025, and therefore, the Board would need to establish RAB's new address as an official meeting place and authorize publication of same in the *Houston Chronicle*.

Review 2026 Annual Agenda. Ms. Adams presented to and reviewed with the Board a draft 2026 Annual Agenda, a copy of which is attached hereto.

Authorize Eminent Domain reporting compliance pursuant to Texas Government Code, §2206.151-157, as amended. Ms. Adams then reported that RAB would file the required annual eminent domain report on behalf of the District. Ms. Adams explained that the report included information related to annual implementation of the District's authority to exercise its power of eminent domain and must be filed before February 1<sup>st</sup> of each year.

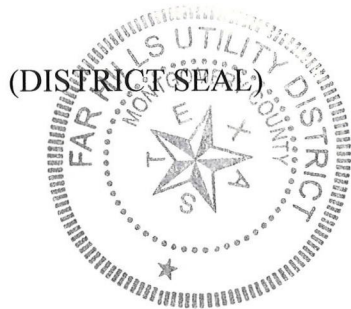
Authorize filing of financial and tax-related information to Texas Comptroller pursuant to Texas Government Code, §203.062 and Texas Government Code, § 403.0241 for the Special Purpose District Public Information Database ("SPDPID"). Ms. Adams then reminded the Board that the District was required to file certain financial and tax-related information on the Comptroller's SPDPID annually. Ms. Adams noted that such information must be filed by April 1, 2026.

Upon motion by Director Kuhl, seconded by Director Shelly, after full discussion and with all Directors present voting aye, the Board voted unanimously to: 1) adopt Order Changing Address and authorize publication of same; 2) authorize RAB to file the required annual eminent domain report; 3) authorize RAB to file the required financial and tax-related information on the SPDPID; and 4) approve the 2026 Annual Agenda.

Ms. Adams exited the meeting at this time.

11. **General Maintenance of District Administration Building, including flagpole relocation.** Director Haymon stated that the United States Flag outside the District Administration Building had ensnared to the roof due to wind and was torn. A discussion ensued. Upon motion by Director Shelly, seconded by Director Cutler, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize relocation of the District's flagpole.
12. **District facility landscape matters.** There was nothing to report at the time.
13. **Adjournment.** There being no further business to come before the Board, the meeting was adjourned at 5:51 p.m.

Passed and approved this 8<sup>th</sup> day of January, 2026.



  
Secretary, Board of Directors