

FAR HILLS UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS MEETING

January 8, 2026

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, January 8, 2026 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, attorney, and Ms. Raechel Rodriguez (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; Ms. 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. and Ms. Shelby Chastun, E.I.T. 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 5:01 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 December 11, 2025 regular Board meeting. 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 minutes of the December 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 December Tax Assessor/Collector's Report, a copy of which is attached hereto. Upon motion by Director Shelly, seconded by Director Cutler, 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.** There was nothing to report at the time.
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 Shelly, seconded by Director Kuhl, 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 Pay Estimate ("PE") No. 3 in the amount of \$152,624.61 from ISJ Underground Utilities, LLC ("ISJ") for work performed on the Interconnect Project through December 22, 2025, a copy of which is attached to the Engineer's Report. Mr. Hardin then reported on the status of the construction of the Interconnect Project. Mr. Hardin stated that water line crossing on Cude Cemetery Road at Clear View Drive would be scheduled subsequent to Gulf States' approval.

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 Bock, seconded by Director Shelly, 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. 3 from ISJ in the amount of \$152,624.61 for the Interconnect Project.

7. **Request from Lake Conroe RV Campground, LLC d/b/a RJourney, LLC ("RJourney") regarding payment for pro rata share of STP improvements.** Ms. Adams reviewed with the Board communications between RJourney and District consultants subsequent to RJourney's receipt of the invoice for its pro rata share of the STP improvement costs. Ms. Adams reported that RJourney communicated to RAB that it wanted to propose a payment plan for such costs, but that RAB had not yet received a proposal to present to the Board. An extensive discussion ensued. It was the consensus of the Directors to require RJourney to provide payment in full as requested or an acceptable payment plan proposal by February 12, 2026, or the District would terminate service pursuant to the Out-of-District Sanitary Sewer Service Agreement. Upon motion by Director Bock, seconded by Director Kuhl, after full discussion and with all Directors present voting aye, the Board voted unanimously to authorize RAB to correspond with RJourney, as discussed.

Mr. Blich exited the meeting at this time.

8. **Operations Report.** Mrs. Donohoe reviewed the Operations Report, a copy of which is attached hereto. Mrs. Donohoe reported that the District had 849 connections and a 98.33% water accountability ratio for the period ending December 18, 2025.

Mr. Torres reported that the new pump at Lift Station No. 14 had to be uninstalled and reinstalled.

Mr. Torres noted that there was no additional electrical work at Lift Station No. 9.

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.

9. **Review District's Rate Order and amend as necessary.** Ms. Adams reported that there were no recommended amendments to the District's Rate Order at the time.

10. **Annual review of Director Fees of Office and Expense Reimbursement Policy.** Ms. Adams reviewed the Director Fees of Office and Expense Reimbursement Policy, a copy of which is attached hereto. Ms. Adams stated that RAB was not recommending any changes to the Director Fees of Office and Expense Reimbursement Policy at the time.

11. **Attorney's Report, including annual review of District's Post-Issuance Tax Exempt Debt Compliance Policies.** Ms. Adams stated that RAB was not recommending any changes to the District's Post-Issuance Tax Exempt Debt Compliance Policies at the time.

Ms. Adams exited the meeting at this time.

12. **General Maintenance of District Administration Building, including flagpole relocation.** Director Kuhl stated that he would obtain proposals for the relocation of the flagpole outside the District Administration Building.

13. **District facility landscape matters.** There was nothing to report at the time.

14. **Annual review of District's Emergency Response Plan ("ERP").** Mrs. Donohoe stated that she would review the District's ERP.

15. **Adjournment.** There being no further business to come before the Board, the meeting was adjourned at 5:48 p.m.

Passed and approved this 12th day of February, 2026.




Secretary, Board of Directors