FAR HILLS UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS MEETING

June 11, 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, June 11, 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, except Directors Shelly and Cutler, 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" or "MCI"), 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 Blitch (via teleconference) of Blitch Associates, Inc. ("Blitch" or the "Financial Advisor"), financial advisor for the District. Also in attendance was Mr. Rod Rudine of Texas Groundworks Management, Inc. ("TGM").

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.** Mr. Rudine introduced himself and reviewed TGM's services, including landscape and detention pond maintenance services.

2. **Minutes.** The Board considered approval of the minutes of the May 14, 2026 regular Board meeting. Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the minutes of the May 14, 2026 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 May Tax Assessor/Collector's Report, a copy of which is attached hereto. Upon motion by Director Kuhl, 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.** The Board then reviewed the Delinquent Tax Attorney's Report, a copy of which is attached hereto. Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve the Delinquent Tax Attorney's Report.

Mr. Rudine exited the meeting at this 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.

Mr. Holland reviewed with the Board information regarding the District's certificates of deposit renewal.

A discussion ensued regarding the status of payments from Lake Conroe RV Campground, LLC d/b/a RJourney, LLC ("RJourney") for pro rata share of Wastewater Treatment Plant ("STP") improvement project (the "STP Project"). It was noted that the payment due from RJourney had not yet been received by the District.

Mr. Holland noted that he was preparing the Texas Unclaimed Property Report for filing with the Texas Comptroller and had prepared an escheatment check.

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 Bookkeeper's Report; 2) authorize payment of the bills reflected therein, as presented; and 3) authorize the Bookkeeper to file the Texas Unclaimed Property Report, when completed.

6. **Authorize filing of Texas Unclaimed Property Repot, if necessary.** There was nothing further to report on this matter.

7. **Status of payments from RJourney for pro rata share of the STP Project.** There was nothing further to report on this matter.

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

Mr. Hardin presented to the Board PE No. 4 from Sustanite Support Services, LLC ("Sustanite") in the amount of $199,215.00 for work completed through May 26, 2026, for the STP Project, a copy of which is attached to the Engineer's Report.

Mr. Hardin then reviewed with the Board preliminary communications with Outscan Resources ("Outscan"), a potential developer of the Walker Tract, a copy of which is attached to the Engineer's Report. Mr. Hardin noted that Outscan had not yet submitted an Application for Service/Annexation to the District.

Mr. Hardin reviewed with the Board the District's proposed updated five (5)-year Capital Improvement Plan ("CIP"), a copy of which is attached to the Engineer's Report. A discussion ensued.

Mr. Hardin then reported on the construction of the emergency interconnect with Montgomery County Utility District No. 2 ("MCUD No. 2") (the "Interconnect Project"), noting that the cost accounting for such project was complete. Mr. Hardin then recommended authorizing payment to MCUD No. 2 in the amount of $39,944.40 as a refund of its prorata share for the Interconnect Project. Mr. Hardin noted that the District and MCUD No. 2's Operators would coordinate the interconnect operation testing.

Mr. Hardin then reported on the status of the STP Project. Mr. Hardin stated that Sustanite completed installation of the temporary chlorine contact basin and was preparing to proceed with chlorine contact chamber rehabilitation and improvements.

Upon motion by Director Kuhl, seconded by Director Bock, after full discussion and with all Directors present voting aye, the Board voted unanimously to approve: 1) the Engineer's Report; 2) PE No. 4 in the amount of $199,215.00 from Sustanite for the STP Project; and 3) authorize the refund payment in the amount of $39,944.40 to MCUD No. 2 for its prorata share of the Interconnect Project.

Mr. Blitch reviewed with the Board the District's 2026 preliminary estimated taxable value.

9. **Election Agenda.** The Board discussed the November 3, 2026 Directors Election (the "Election"). Ms. Adams noted that Directors Haymon, Kuhl and Bock were the incumbents.

The Board discussed appointing RAB as the District's designated agent for the Election.

Ms. Adams stated that the District would be required to post the Notice of Deadline to File an Application for a Place on the Ballot for the Election no later than July 19th. Ms. Adams noted that the first day upon which applications could be accepted was July 18, 2026, and the application deadline was 5:00 p.m., on Monday, August 17, 2026.

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) appoint RAB as the District's designated agent for the Election and authorize posting the Notice of Appointment of Designated Agent, a copy of which is attached hereto; and 2) approve and authorize posting the Notice of Deadline to File and Application for a Place on the Ballot for the Election, a copy of which is attached hereto.

10. **Operations Report.** Mr. Torres reviewed the Operations Report, a copy of which is attached hereto. Mr. Torres reported that the District had 854 connections and a 98.50% water accountability ratio for the period ending May 20, 2026.

In response to a question from Director Haymon, Mr. Torres reviewed two (2) notices of violation the District received from the Texas Commission on Environmental Quality and noted that such violations were handled and no further action was required.

Ms. Adams exited the meeting at this time.

Upon motion by Director Bock, seconded by Director Kuhl, 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) authorize distribution of the 2025 Drinking Water Quality Report, as presented, a copy of which is attached hereto.

11. **General Maintenance of District Administration Building, including flagpole relocation.** There was nothing to report at the time.

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

13. **Attorney's Report.** Ms. Rodriguez stated that RAB had nothing further to report.

14. **Adjournment.** There being no further business to come before the Board, the meeting was adjourned at 6:02 p.m.

Passed and approved this 9th day of July, 2026.

Assistant Secretary, Board of Directors

(DISTRICT SEAL)