

THE STATE OF TEXAS  
COUNTY OF HEMPHILL  
HEMPHILL COUNTY UNDERGROUND  
WATER CONSERVATION DISTRICT

We, the undersigned officers of the Board of Directors of the HEMPHILL COUNTY UNDERGROUND WATER CONSERVATION DISTRICT ("District") certify as follows:

1. The Board of Directors of the District convened in a meeting on September 8, 2025, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the Board, namely:

Marty Carr, President  
Spencer Hanes, Vice President  
Elizabeth Light, Secretary  
Tom Isaacs, Director  
Craig Cowden, Director

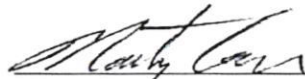
and all of the above persons were present, {except the following absentees:\_\_\_\_\_} thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written Resolution by the Board of Directors of the Hemphill County Underground Water Conservation District Adopting a Tax Rate for Fiscal Year 2025-2026 was duly introduced for the consideration of said Board and read in full. It was then duly moved and seconded that the Resolution be passed; and, after due discussion, a vote on the motion carried with it the passage of the Resolution which prevailed by the following vote:

AYES: 5

NOS: 0

2. That a true, full, and correct copy of the Resolution passed at the Meeting described in the above paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the Board's minutes of the Meeting; that the above paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the passage of the Resolution; that the persons named in the above paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated above; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and each of the officers and members consented, in advance to the holding of the Meeting for such purpose, and that the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given to all as required by Chapter 551 of the Texas Government Code.

SIGNED AND SEALED the 8th day of \_\_ September \_\_, 2025.



Marty Carr  
President  
Hemphill County Underground  
Water Conservation District

ATTEST:



Elizabeth Light  
Secretary  
Hemphill County Underground Water Conservation District

APPROVED AS TO FORM:



Drew Miller  
Kemp Smith LLP  
General Counsel  
Hemphill County Underground Water Conservation District

**RESOLUTION NUMBER 2025-02  
AN ORDER  
BY THE BOARD OF DIRECTORS OF  
HEMPHILL COUNTY UNDERGROUND WATER CONSERVATION DISTRICT  
ADOPTING A TAX RATE FOR FISCAL YEAR 2025-2026**

**WHEREAS**, the Legislature of the State of Texas created the HEMPHILL COUNTY UNDERGROUND WATER CONSERVATION DISTRICT (the "District") pursuant to the Act of May 19, 1995, 74<sup>th</sup> Leg., R.S., ch. 157, 1995 Tex. Gen. Laws 1007, as amended by Act of May 12, 2017, 85<sup>th</sup> Leg., R.S., ch. 208, 2017 Tex. Gen. Laws 388, now codified at Chapter 8894, Special District Local Laws Code (TEX. SPEC. DIST. LOCAL LAWS CODE §§ 8894.001–.0102) (the "Act");

**WHEREAS**, the creation of the District was confirmed by an election held for such purpose within the District on November 4, 1997;

**WHEREAS**, the District is a political subdivision of the State of Texas and is governed by Chapter 36 of the Texas Water Code (TEX. SPEC. DIST. LOCAL LAWS CODE § 8894.0101);

**WHEREAS**, Chapter 36 of the Texas Water Code authorizes the levy and collection of ad valorem taxes for the maintenance and operating expenses of the District at a rate not to exceed 50 cents on each \$100 of assessed valuation (TEX. WATER CODE § 36.201(b));

**WHEREAS**, Chapter 26 of the Texas Tax Code allows a small taxing unit – for which the total tax rate proposed for the current tax year: (1) is 50 cents or less per \$100 of taxable value; and (2) would impose taxes of \$500,000 or less when applied to the current total value for the taxing unit – to provide public notice pursuant to TEX. TAX CODE § 26.052(c) by either (1) mailing a notice of the proposed tax rate to each owner of taxable property in the taxing unit; or (2) publishing notice of the proposed tax rate in the legal notices section of a newspaper having general circulation in the taxing unit, and such notice has been provided;

**WHEREAS**, an election was called for May 2, 1998, by order of the Board of Directors (the "Board") of the District dated February 3, 1998, for the purpose, among other things, of authorizing the District to levy and collect ad valorem taxes for maintenance and administrative expenses of the District and establishment and approval of an ad valorem tax rate for such taxes;

**WHEREAS**, the election was held and conducted and returns made to the Board of the District in accordance with the applicable provision of the Texas Election Code, as amended, the Texas Water Code, as amended, the Act, and in accordance with the Board's February 3, 1998 order;

**WHEREAS**, it was, on May 5, 1998, ordered and declared by the Board that the resident, qualified voters of the District did, by a majority of those resident, qualified voters voting in the May 2, 1998 election, vote in favor of authorizing the District to levy property taxes at a rate of 3.5 cents (\$.035) per hundred dollars (\$100.00) of assessed valuation for administrative expenses of the District and for the maintenance of the District;

**WHEREAS**, the Board has reviewed data setting forth the estimated administrative budgetary requirements of the District and finds that the estimated budgetary requirements of the District for Fiscal Year 2025-2026 are **\$346,535.00**;

**WHEREAS**, the Board of the District deemed it necessary and advisable on this date, September 8, 2025, to adopt an annual budget for fiscal year 2025-2026 and did so pursuant to a separate vote;

**WHEREAS**, a meeting of the Board was held on September 8, 2025, at the regular meeting place of the District in Hemphill County, Texas; and

**WHEREAS**, the Notice of Meeting of the Board at which the adoption of a tax rate was noted as an agenda item was duly and properly posted and provided pursuant to Chapter 551 of Texas Government Code.



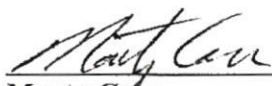
**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE HEMPHILL  
COUNTY UNDERGROUND WATER CONSERVATION DISTRICT AFFIRMATIVELY  
FINDS THAT:**

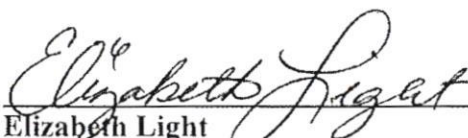
1. The total certified taxable value of property within the boundaries of the Hemphill County Underground Water Conservation District is \$1,164,328,996, and the Adjusted Taxable Value is \$1,162,812,326;
2. For the period October 1, 2025, through September 30, 2026, the estimated total receipts to the District from the authorized administrative and maintenance tax established at an ad valorem tax rate of \$0.021402 per one hundred dollars (\$100.00) of the total certified taxable valuation is \$249,189.69; and
3. These receipts are reasonably necessary for the expenses related to the operation and maintenance of the District and it is in the public interest that the District establishes the aforementioned tax rate.

**IT IS THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF THE  
HEMPHILL COUNTY UNDERGROUND WATER CONSERVATION DISTRICT  
THAT:**

- Section 1. The tax rate for the authorized administrative and maintenance tax for Fiscal Year 2025-2026 is adopted and established at \$0.021402 per one hundred dollars (\$100.00) of assessed valuation.
- Section 2. THIS TAX RATE WILL NOT RAISE MORE TAXES FOR MAINTNENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.
- Section 3. If any provision, section, sentence, clause or phrase of this order is held for any reason to be invalid, such invalid portion shall not affect the validity of the remaining portions of this order.

**SIGNED AND SEALED THIS 8th day of September, 2025.**

  
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Marty Carr  
President  
Hemphill County Underground  
Water Conservation District

  
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Elizabeth Light  
Secretary  
Hemphill County Underground  
Water Conservation District

APPROVED AS TO FORM:

A handwritten signature in blue ink, appearing to read "Drew Miller", is positioned above a horizontal line.

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**Drew Miller**  
Kemp Smith LLP  
General Counsel