

**MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS**

THE STATE OF TEXAS §  
COUNTY OF DENTON §  
BROOKFIELD WATER CONTROL AND IMPROVEMENT DISTRICT OF DENTON §  
COUNTY

The Board of Directors (the "Board") of Brookfield Water Control and Improvement District of Denton County (the "District") met in regular session, open to the public, at 300 Throckmorton Street, Suite 1700, Fort Worth, Texas 76102, a designated office of the District outside the boundaries of the District, on January 6, 2023, and the roll was called of the members of the Board to-wit:

Garrett O’Grady	President
Nioclas Dale Knight	Vice President
Stacy Lynch	Secretary
Stephanie Louise Rich	Assistant Secretary
Bryant Anthony Vazquez	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Knight and Director Vazquez, thus constituting a quorum. Also present were Ms. Brandi Galindo of Dye & Tovery, LLC, bookkeepers for the District; Ms. Sarah Landiak, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District; Mr. Steve Howard of D.R. Horton; and Mr. Mark Spear of Pape-Dawson Engineers, Inc. (“Engineer”).

The meeting was called to order at 12:05 p.m.

1. The Board opened the meeting to public communication or comment. Hearing none, the Board closed the public comment section of the meeting.
2. The Board next reviewed the Minutes from the December 2, 2022, Board of Directors meeting. Following a discussion, and upon motion by Director O’Grady, seconded by Director Rich and unanimously carried, the Board approved the minutes as presented.
3. The Board next considered a Resolution Adopting Policies for Capitalization and Depreciation of District Assets, a copy of which is attached hereto as Exhibit “A”. Following a discussion, Director O’Grady moved that the Board approve the Resolution as presented. Director Rich seconded said motion, which carried unanimously.
4. The Board next considered a First Amendment to Utility and Infrastructure Agreement by and between the District, the City of Fort Worth, and Double R DevCo, LLC, a copy of which is attached hereto as Exhibit “B”. Ms. Landiak noted that the agreement is being amended to exclude the requirement that the District construct an off-site wastewater line that is

no longer needed to provide service to the District. Following a discussion, Director Rich moved that the Board ratify the Utility and Infrastructure Agreement as presented. Director Lynch seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Howard, who updated the Board with regard to development within the District. Mr. Howard reported that Liberty Trails Phases 1, 2, 3, and 4 are complete and have been finally accepted by the Engineer; paving is underway in Liberty Trails Phase 5, and development of Lone Star at Liberty Trails will begin in roughly a year. Mr. Howard also noted that the District's walking trail is being lengthened to connect all of Liberty Trails Phases 1-4 and the amenity center. Following a discussion, Director O'Grady moved that the Board approve the developer's report as presented. Director Rich seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Spear, who presented to and reviewed with the Board an Engineer's report dated January 6, 2023, a copy of which is attached hereto as Exhibit "C". Mr. Spear updated the Board regarding engineering and construction within the District, reporting that the preliminary plat for Lone Star at Liberty Trails, which will include 1,603 lots, has been submitted to the City of Fort Worth for review. Mr. Spear also noted that design is underway for Phase 1 of Lone Star at Liberty Trails, which will consist of 564 lots, and that the City of Fort Worth is designing and constructing an elevated storage tank to be built within the District. Next, Mr. Spear presented the following pay applications to the Board, noting that the Engineer has recommended approval of same:

- Pay Application No. 7 (Retainage) in the amount of \$254,186.06 from Burnsco Construction, Inc. under the Liberty Trails Phase 4 water, wastewater, and storm drainage improvements contract.
- Pay Application No. 4 in the amount of \$43,452.00 from Burnsco Construction, Inc. under the Liberty Trails Phase 5 water, wastewater, and storm drainage improvements contract.
- Pay Application No. 1 in the amount of \$139,119.41 from Gilco Contracting, Inc. under the Liberty Trails Phase 5 paving improvements contract.

Following a discussion, Director Lynch moved that the Board (i) approve all pay applications as recommended by the District's Engineer; and (ii) approve the Engineer's report as presented. Director O'Grady seconded said motion, which carried unanimously.

7. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated January 6, 2023, a copy of which is attached hereto as Exhibit "D". Ms. Galindo also noted a cost of living increase of hourly rates pursuant to the District's bookkeeping services agreement. Following a discussion, Director Rich moved that the Board (i) approve the bookkeeping report; (ii) authorize the payment of bills listed thereon; and (iii) approve the draft operating budget as presented. Director Lynch seconded said motion, which carried unanimously.

8. The Board next recognized Ms. Landiak, who reviewed the District's current Investment Policy, dated January 10, 2020, with the Board. Ms. Landiak noted that an annual review of said Policy is required, and that no amendments to the Investment Policy are recommended by the District's legal counsel at this time. Next, Ms. Landiak presented to and reviewed with the Board a Resolution Acknowledging Annual Review of the Investment Policy and Investment Strategies, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director O'Grady moved that the Board approve the Resolution as presented. Director Rich seconded said motion, which carried unanimously.

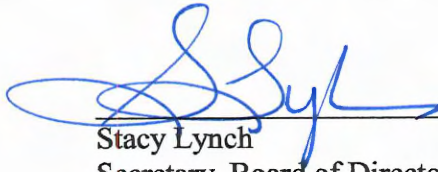
9. The Board next considered a Resolution Adopting Prevailing Wage Rate Scale for Construction Projects, a copy of which is attached hereto as Exhibit "F". Following a discussion, Director Lynch moved that the Board adopt the Resolution as presented. Director Rich seconded said motion, which carried unanimously.

10. The Board next considered a Resolution Designating Depositories and Establishing Investment Accounts for Deposit of District Funds, a copy of which is attached hereto as Exhibit "G". Following a discussion, Director O'Grady moved that the Board approve the Resolution as presented. Director Lynch seconded said motion, which carried unanimously.

There being no further business to conduct, Director O'Grady moved that the meeting be adjourned, which motion was seconded by Director Lynch and unanimously carried, whereupon the Board adjourned at 12:31 p.m. until further call.

*[Signature page follows]*

APPROVED AND ADOPTED this 6<sup>th</sup> day of February, 2023.



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Stacy Lynch  
Secretary, Board of Directors  
Brookfield Water Control and Improvement  
District of Denton County

