

**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 May 5, 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 & Toverly, LLC, bookkeepers for the District; Mr. Ross Martin, attorney, and Ms. Amy Bieber, paralegal, each of Winstead PC, attorneys for the District; Mr. Sam Knight of Pape-Dawson Engineers, Inc. (“Engineer”); Mr. Steve Howard, Mr. Justin Bosworth, and Mr. Albert Arthur of D.R. Horton; Mr. Andre Ayala of Hilltop Securities, Inc. (“Financial Advisor”); and Ms. Rachel Knight, a member of the public.

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

1. The Board opened the meeting to public communication or comment. Hearing none, Director O’Grady moved that the Board close the public comment section of the meeting. Director Lynch seconded said motion, which carried unanimously.

2. The Board next reviewed the Minutes from the April 3, 2023, Board of Directors meeting. Following a discussion, and upon motion by Director O’Grady, seconded by Director Lynch and unanimously carried, the Board approved the minutes subject to the revision of non-substantive typos.

3. The Board next acknowledged the resignation of Director Nioclas Knight. Mr. Martin announced that Ms. Rachel Knight, a property owner within the District, has expressed her desire to serve on the Board of Directors. Following a discussion, Director O’Grady moved that the Board (i) accept the resignation of Director Nioclas Knight; (ii) appoint Ms. Rachel Knight to the Board of Directors to serve as Vice President for the remainder of the term

expiring on May 4, 2024; and (iii) adopt an Order declaring the same. Director Rich seconded said motion, which carried unanimously.

4. The Board next considered the renewal of District insurance coverages, a summary of the proposal for which is attached hereto as Exhibit "A". Following a discussion, Director O'Grady moved that the Board approve the renewal of District insurance coverages as presented. Director Lynch seconded said motion, which carried unanimously.

5. The Board next considered a Petition for Addition of Lands into the District submitted by Double R DevCo, LLC, and DRH – HWY 114, LLC, a copy of which is attached hereto as Exhibit "B". Mr. Martin the Petition with the Board, noting that the parcel to be considered for addition is located wholly within the extraterritorial jurisdiction of Fort Worth, Texas, and that the City Council of Fort Worth consented to the inclusion of such lands in the District. The Board next considered an Order Adding Lands and Redefining and Correcting Boundaries, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Lynch moved that the Board (i) approve the addition of lands as described in the Petition for Addition; and (ii) adopt the Order pursuant to final review and approval by the District's consultants. Director Rich seconded said motion, which carried unanimously.

6. Consideration was next given to an Amended District Information Form, a copy of which is attached hereto as Exhibit "D". Mr. Martin noted that the form has been amended to show the redefined boundaries of the District. Following a discussion, Director O'Grady moved that the Board (i) approve the Amended District Information Form as presented; and (ii) authorize the filing of same with the Texas Commission on Environmental Quality and Denton County. Director Lynch seconded said motion, which carried unanimously.

7. The Board next recognized Mr. Howard, who updated the Board with regard to development in the District, reporting that the final acceptances for the last remaining contracts within the original Liberty Trails development are expected next week. Mr. Howard also noted that Liberty Trails Phase 5 franchise utilities are nearly complete and all homes in Phase 4 will close by September 2023. No formal action was taken by the Board.

8. The Board next recognized Mr. Ayala, who discussed with the Board preliminary values for the District received from Denton Central Appraisal District. Mr. Ayala explained that the estimated value gives the potential for additional bonds to be issued this year and recommended that a utility bond application be submitted to the Texas Commission on Environmental Quality, and road bonds potentially be issued later in 2023. No formal action was taken by the Board.

9. The Board next recognized Mr. Knight, who presented to and reviewed with the Board an Engineer's report dated April 3, 2023, a copy of which is attached hereto as Exhibit "E". Mr. Knight updated the Board regarding engineering and construction within the District, reporting that the City is reviewing the first plans submitted for Lone Star at Liberty Trails. Next, Mr. Knight presented the following pay application and change orders to the Board, noting that the District's Engineer has recommended approval of same:

- Pay Application No. 3 in the amount of \$15,500.00 from Burnsco Construction, Inc. (“Burnsco”) under the water, wastewater, and storm drainage improvements contract for Liberty Trails Phase 4.
- Pay Application No. 5 in the amount of \$15,876.00 from Stephenson Dirt Contracting, LLC, under the grading improvements contract for Liberty Trails Phase 5.
- Pay Application No. 7 in the amount of \$29,160.00 from Burnsco under the water, wastewater, and storm drainage improvements contract for Liberty Trails Phase 5.
- Pay Application No. 4 in the amount of \$70,615.22 from Gilco Contracting, Inc. under the paving improvements contract for Liberty Trails Phase 5.

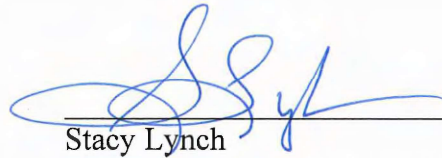
Following a discussion, Director O’Grady moved that the Board (i) approve all pay applications as recommended by the District’s Engineer; and (ii) approve the Engineer’s report as presented. Director Lynch seconded said motion, which carried unanimously.

10. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated May 5, 2023, a copy of which is attached hereto as Exhibit “F”. Ms. Galindo noted the inclusion of late check #3707 to Rachel Knight in the amount of \$138.523, and then presented a revised list of designated depositories for approval, a copy of which is attached hereto as Exhibit “G”. Following a discussion, Director Lynch moved that the Board (i) approve the revised list of designated depositories as presented; (ii) approve the bookkeeping report as presented; and (iii) authorize the payment of bills listed thereon. (iii) approve the investment of funds as recommended by the District’s Bookkeeper. Director Rich 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 Rich and unanimously carried, whereupon the Board adjourned at 12:24 p.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 2nd day of June, 2023.



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

