

**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 August 11, 2023, and the roll was called of the members of the Board to-wit:

Garrett O’Grady	President
Rachel Knight	Vice President
Stacy Lynch	Secretary
Stephanie Rich	Assistant Secretary
Waymon D. Hyde	Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Lynch and Director Rich, thus constituting a quorum. Director Lynch and Director Rich entered later as noted below. Also present were Ms. Brandi Galindo of Dye & Toverly, LLC, bookkeepers for the District; Ms. Sarah Landiak, attorney, of Winstead PC; Mr. Sam Knight of Pape-Dawson Engineers, Inc. (“Engineer”); Mr. Henry Jeffries of D.R. Horton; and Mr. Andre Ayala of Hilltop Securities, Inc. Ms. Amy Bieber, paralegal, of Winstead PC, joined the meeting by telephone conference.

The meeting was called to order at 12:06 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 July 7, 2023, Board of Directors meeting. Following a discussion, and upon motion by Director Hyde, seconded by Director O’Grady and unanimously carried, the Board approved the minutes as presented.

3. The Board next recognized Mr. Jeffries, who updated the Board with regard to development within the District. Following a discussion, Director O’Grady moved that the Board approve the developer’s report as presented. Director Knight seconded said motion, which carried unanimously.

4. At this time, Director Lynch and Director Rich joined the meeting. The Board next recognized Mr. Ayala, who presented to and reviewed with the Board the 2023 tax rate calculations and recommendations from Hilltop Securities, Inc., the District's Financial Advisor, a copy of which is attached hereto as Exhibit "A". The total tax rate recommendation is \$0.8775 per \$100 of net taxable value, with \$0.662 designated for debt service. Following a discussion, Director Lynch moved that the Board (i) approve the proposed tax rate; (ii) call a public hearing on the proposed tax rate for September 8, 2023, at 12:00 p.m. at Winstead PC Fort Worth; and (iii) authorize publication of a notice of the same. Director O'Grady seconded said motion, which carried unanimously.

5. The Board continued to recognize Mr. Ayala, who updated the Board with regard to proposed 2023 bond issuances, noting that the District's utility bond application is awaiting some final items before filing. Following a discussion, Director Hyde moved that the Board approve the Financial Advisor's report as presented. Director Rich seconded said motion, which carried unanimously.

6. The Board next recognized Mr. Knight, who presented to and reviewed with the Board an Engineer's report dated August 11, 2023, a copy of which is attached hereto as Exhibit "B". Mr. Knight updated the Board regarding engineering and construction within the District, reporting that the preliminary plat for Lone Star at Liberty Trails, including 1,603 lots, has been approved by the City of Forth Worth, and the design for Phase 1, which encompasses the first 564 lots, has been submitted for review. Next, Mr. Knight recommended award of the following contract to the lowest qualified bidder:

- Grading improvements for Lone Star at Liberty Trails Phases 1 and 2 to FCS Construction, LLC ("FCS") in the total base bid amount of \$2,857,809.95.

Following a discussion, Director Hyde moved that the Board (i) award the grading improvements for Lone Star at Liberty Trails Phases 1 and 2 to FCS 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 August 11, 2023, a copy of which is attached hereto as Exhibit "C". Following a discussion, Director Rich moved that the Board (i) approve the bookkeeping report as presented; (ii) authorize the payment of bills listed thereon; and (iii) approve the investment of funds as recommended by the District's Bookkeeper. Director Knight seconded said motion, which carried unanimously.

8. The Board next considered a Resolution Adopting Amended Operating Budget for the fiscal year ending July 31, 2023; a Resolution Adopting Operating Budget for the fiscal year ending July 31, 2024; and a Resolution Adopting Debt Service Budget for the fiscal year ending July 31, 2024, copies of which are attached hereto as Exhibit "D". Following a

discussion, Director Hyde moved that the Board approve the resolutions as presented. Director O'Grady seconded said motion, which carried unanimously.

9. The Board next discussed House Bill 2815, passed by the 88th Texas Legislature, as it relates to the Section 49.060, Texas Water Code. The Board noted that it is their intention to adopt a resolution updating the fees of office for Directors pursuant to the new legislation. No formal action was taken by the Board.

There being no further business to conduct, Director Lynch moved that the meeting be adjourned, which motion was seconded by Director O'Grady and unanimously carried, whereupon the Board adjourned at 12:23 p.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 8th day of September, 2023.



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

(DISTRICT SEAL)

