

**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 special 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 September 8, 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 Hyde, thus constituting a quorum. 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. Steve Howard of D.R. Horton; and Mr. Andre Ayala of Hilltop Securities, Inc. Mr. Henry Jeffries of D.R. Horton entered later as noted below.

The meeting was called to order at 12:04 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 August 11, 2023, 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. Upon motion by Director Rich, seconded by Director Knight and unanimously carried, the Board convened a public hearing regarding the District’s proposed 2023 tax rate. The notice of the hearing was published in accordance with the requirements of the Texas Water Code, and a copy of said notice is attached hereto as Exhibit “A”. The Board reviewed the tax rate recommendation prepared by Baird and, hearing no public comment, Director O’Grady moved that the Board close the public hearing. Director Rich seconded said motion, which carried unanimously. The Board reopened the meeting.

4. The Board next reviewed and discussed an Order Setting Tax Rate for 2023, a copy of which is attached hereto as Exhibit “B”. Following a discussion, Director Knight moved that the Board (i)) levy a 2023 operations and maintenance tax of \$0.2155 per \$100 of net taxable value; (ii) levy a 2023 road debt service tax of \$0.6620 per \$100 of net taxable value; and (iii) adopt the Order Setting Tax Rate for 2023 to reflect the same. Director O’Grady seconded said motion, which carried unanimously.

5. The Board next recognized Mr. Ayala, who presented to and reviewed with the Board MSRB G-42 disclosures and a letter regarding preparation of an official statement prepared by Hilltop, the District’s Financial Advisor, copies of which are attached hereto as Exhibit “C”. Following a discussion, Director Knight moved that the Board formally acknowledge receipt of said Disclosures. Director Rich seconded said motion, which carried unanimously.

6. The Board continued to recognize Mr. Ayala, who discussed with the Board the proposed schedule of events related to the issuance of the District’s Unlimited Tax Road Bonds, Series 2023 (the “Series 2023 Road Bonds”). Next, Mr. Ayala reported that the bond issuance will be approximately \$7,400,000 or more and reviewed with the Board a Preliminary Official Statement and Notice of Sale, copies of which are attached hereto as Exhibit “D” and Exhibit “E”, respectively. Following a discussion and upon motion by Director O’Grady, seconded by Director Knight and unanimously carried, the Board (i) formally authorized the publication of the Official Notice of Sale and the Preliminary Official Statement in connection with the sale of the District’s Series 2023 Road Bonds, such sale date being set for October 12, 2023, as set forth therein; and (ii) authorize the application for bond rating.

7. The Board next recognized Ms. Landiak, who discussed the bond sale and closing process with the Board and the need to obtain and Agreed Upon Procedures (“AUP”) Report in connection with the bond closing. Following a discussion, Director Knight moved that the Board authorize McCall Gibson Swedlund Barfoot PLLC to prepare an AUP Report for review at the next meeting of the Board of Directors. Director O’Grady seconded said motion, which carried unanimously.

8. The Board next considered an Order Authorizing Application for Approval of Project and Utility Bond Issuance by TCEQ and Requesting Waivers, a copy of which is attached hereto as Exhibit “F”. The Board recognized Ms. Landiak, who explained that before a district can issue utility bonds the TCEQ must give approval for the issuance, and the Order for consideration allows the submittal of the application for TCEQ approval of the utility bond issuance to proceed. Following a discussion, Director Rich moved that the Board adopt the Order as presented. Director Knight seconded said motion, which carried unanimously.

9. The Board next recognized Mr. Jeffries, who updated the Board with regard to development within the District, reporting that the Liberty Trails development is complete and the final invoices have been received, and only 30-40 lots remain unsold. Following a

discussion, Director Rich moved that the Board approve the developer's report as presented. Director Knight seconded said motion, which carried unanimously.

10. At this time, Mr. Jeffries joined the meeting. The Board next recognized Mr. Knight, who presented to and reviewed with the Board an Engineer's report dated September 8, 2023, a copy of which is attached hereto as Exhibit "G". Mr. Knight updated the Board regarding engineering and construction within the District, and then recommended approval of the following invoices:

- Invoice No. 1521-83123 from Gilco Contracting, Inc. ("Gilco") in the total amount of \$5,000.00.
- Invoice No. 1483-83123 from Gilco in the total amount of \$8,960.00.

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

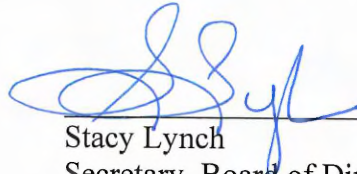
11. The Board next recognized Ms. Galindo, who presented to and reviewed with the Board copies of a bookkeeping report dated September 8, 2023, a copy of which is attached hereto as Exhibit "H". Following a discussion, Director Rich moved that the Board (i) approve the bookkeeping report as presented; (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.

12. The Board next considered a Resolution Setting Per Diem Fees for Directors, a copy of which is attached hereto as Exhibit "I". Following a discussion, Director Knight moved that the Board approve the resolutions as presented. Director O'Grady 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 Knight and unanimously carried, whereupon the Board adjourned at 12:25 p.m. until further call.

[Signature page follows]

APPROVED AND ADOPTED this 12th day of October, 2023.



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

