MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS

THE STATE OF TEXAS §

COUNTY OF DENTON §

SMILEY ROAD WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2 §

The Board of Directors (the "Board") of Smiley Road Water Control and Improvement District No. 2 (also sometimes referred to herein as the "District") met in regular session, open to the public, at 2595 Dallas Parkway, Suite 101, Frisco, Texas 75034, an office outside the boundaries of the District, on Tuesday, February 18, 2025, at 8:00 a.m., and the roll was called of the members of the Board to-wit:

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| Julie Fernandez | President |
| Linda Baker | Vice President |
| Britt Dean | Secretary |
| Lawrence A. Cates | Assistant Secretary |
| John R. Teltschik | Assistant Secretary |

All members of the Board were present at the commencement of the meeting. All Directors present voted on all agenda items that came before the Board. Also present were Mr. Scott Norris; Ms. McKenna Gaddis, P.E., Mr. Bryant Caswell, P.E., and Mr. Jason Frey, P.E. of BGE, Inc.; Ms. Brandi Galindo of Dye & Tovery, LLC, the District's Bookkeeper; and Ms. Sarah Landiak and Ms. Genny Lutzel, Paralegal, of Winstead PC, the District's Attorneys.

1. Call to Order. The meeting was called to order at 8:06 a.m., and evidence was presented that public notice of such meeting had been given as required by law.

2. Public Comments and Communications. After noting that there were no members of the public present at the meeting, Director Teltschik moved that the Board close the public comment session of the agenda. Director Cates seconded said motion, which carried unanimously.

3. Minutes of January 21, 2025 Board Meeting. Following a discussion, Director Teltschik moved that the Board approve the Minutes of the January 21, 2025 Board of Directors meeting, as presented. Director Cates seconded said motion, which carried unanimously.

4. Engineer's Report. Ms. Gaddis presented to and reviewed with the Board copies of an Engineer's Report prepared by BGE, Inc., a copy of which is attached hereto as Exhibit "A". Mr. Caswell provided an update on work performed by Mario Sinacola & Sons Excavating, Inc. for Green Meadows Five Infrastructure Projects. Next, the Board considered authorization of bid advertisements for earthwork improvements in Green Meadows Tract 5, 3A and Carey Road Phase 2. Next, the Board reviewed Pay Application No. 4 in the amount of $2,027,307.02 from Mario

Sinacola & Sons Excavating, Inc. for the Green Meadows Five Infrastructure Project. Following a discussion, Director Dean moved that the Board (i) approve the Engineer's Report; (ii) authorize bid advertisements for earthwork improvements; and (iii) approve Pay Application No. 4, as presented. Director Baker seconded said motion, which carried unanimously.

5. Developer's Report. The Board heard an update from the developer. Mr. Norris provided an update to the Board on construction and development within the District. Next, the Board reviewed drone footage of construction. No formal action was taken by the Board.

6. Agreements for the Construction, Acquisition and Purchase of Facilities, Improvements and Reimbursement of Advances ("Reimbursement Agreement"). Ms. Landiak reviewed with the Board copies of the following reimbursement agreements by and between the District and (i) Celina 6, LP; (ii) Grand Oaks Residential Development, LLC; (iii) K. Hovnanian Homes – DFW, LLC; and (iv) PH Land Holdings, LLC. Following a discussion, Director Cates moved that the Board approve said reimbursement agreements as presented. Director Fernandez seconded said motion, which carried unanimously.

Director Fernandez temporarily left the meeting at this time.

7. Ratify and approve Agreement by and between Grand Oaks Residential Development, LLC on behalf of District and De Leon Fence & Construction Services, LLC. Ms. Landiak presented to and reviewed with the Board copies of an Agreement by and between Grand Oaks Residential Development, LLC on behalf of the District and De Leon Fence & Construction Services, LLC dba De Leon Excavating for grading improvements in Green Meadows Phase 1A. Following a discussion, Director Cates moved that the Board ratify and approve said agreement. Director Dean seconded said motion, which carried unanimously.

8. Review and approve Escrow Agreements. Ms. Landiak presented to and reviewed with the Board copies of the following escrow agreements: (i) Escrow Agreement by and among Celina 6, L, the District, and Escrow Agent (2.132 acres); (ii) Escrow Agreement by and among GM Celina LP, Celina 6, LP, the District, and Escrow Agent (1.770 acres); (iii) Escrow Agreement by and among Grand Oaks Residential Development, LLC, the District and Escrow Agent (21.19 total acreage); (iv) Escrow Agreement by and among North Celina, LP, Celina 6, LP, the District, and Escrow Agent (10.049 acres); (v) Escrow Agreement by and among OPP-Green Meadows, L.P., Celina 6, LP, the District, and Escrow Agent (7.71 total acres). Following a discussion, Director Dean moved that the Board approve said escrow agreements as presented. Director Teltschik seconded said motion, which carried unanimously.

9. Bookkeeper's Report. Ms. Galindo presented to and reviewed with the Board copies of a Bookkeeper's Report, a copy of which is attached hereto as Exhibit "B". Following a discussion, Director Teltschik moved that the Board: (i) approve the Bookkeeper's Report as presented; and (ii) authorize payment of bills presented by checks drawn on the District's accounts as listed thereon. Director Cates seconded said motion, which carried unanimously.

Director Fernandez returned to the meeting at this time.

There being no further business to conduct, Director Teltschik moved that the meeting be adjourned at 8:33 a.m. Director Cates seconded said motion, which carried unanimously. The Board adjourned until further call.

APPROVED AND ADOPTED this 15 day of April, 2025.

Secretary

(DISTRICT SEAL)