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 special session, open to the public, at 2595 Dallas Parkway, Suite 101, Frisco, Texas 75034, an office outside the boundaries of the District, on Tuesday, May 20, 2025, at 8:15 a.m., and the roll was called of the members of the Board to-wit:

The roll was called of the members of the Board to-wit:

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 with the exception of Director Teltschik and Director Cates. Director Cates arrived later, as noted. Also present were Mr. Scott Norris and Mr. Will McLaughlin of Land Advisors, Ltd.; Mr. Bruce French and Ms. Michelle Box of Tri Pointe Homes; Ms. McKenna Gaddis, P.E., Mr. Jason Frey, P.E., and Mr. Adam Claycombe, P.E. of BGE, Inc.; Ms. Brandi Galindo and Ms. Christal Olson of Dye & Tovery, LLC, the District's Bookkeeper; and Ms. Sarah Landiak, attorney, Ms. Darsey Norton, attorney, and Ms. Genny Lutzel, Paralegal, of Winstead PC.

1. Call to Order. The meeting was called to order at 8:32 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 Fernandez moved that the Board close the public comment session of the agenda. Director Baker seconded said motion, which carried unanimously.

3. Resignation of Director Teltschik. Mr. Norris reported that Mr. John Teltschik has announced his resignation from the Board effective May 20, 2025. Following a discussion, Director Fernandez moved that the Board accept said resignation. Director Baker seconded said motion, which carried unanimously.

4. Appointment of Director. The Board deferred action on the matter.

5. Reorganization of the Board of Directors. The Board deferred action on the matter.

6. Minutes of April 15, 2025 Board Meeting. Following a discussion, Director Dean moved that the Board approve the Minutes of the April 15, 2025 Board of Directors meeting, as presented. Director Fernandez seconded said motion, which carried unanimously.

7. Order Establishing Policies Pertaining to District Construction Projects. Ms. Norton introduced the Order and reviewed procedures to be following for public bidding, award and acceptance of construction contracts. A copy of the Order is attached hereto as Exhibit "A". Following a discussion, Director Dean moved that the Board adopt said Order. Director Baker seconded said motion, which carried unanimously.

Director Cates entered the meeting at this time.

8. Engineer's Report. Mr. Frey next reviewed the Engineer's Report prepared by BGE, a copy of which is attached hereto as Exhibit "B". Next, Mr. Frey provided updates on then status of construction for the Green Meadows Five Infrastructure Project.

The Board next considered authorizing bid advertisements for Tract 4A Grading Improvements; Master Infrastructure Landscape Plans; and Sanitary Sewer Lift Stations for Tracts 3 and 4.

The Board reviewed a recommendation for award of contract to De Leon Excavating for Tracts 7 and 8 in the amount of $1,381,736.80.

Finally, the Board reviewed Pay Application No. 7 from Mario Sinacola & Sons, Excavating, Inc. in the amount of $3,349,782.85 for the Green Meadows Five Infrastructure project.

Following a discussion, Director Fernandez moved that the Board (i) approve the Engineer's Report; (ii) authorize advertisement of bids for Tract 4A Grading Improvements, Master Infrastructure Landscape Plans, and Sanitary Sewer Lift Stations for Tracts 3 and 4; and (iii) approve award of a contract for Green Meadows Tracts 7 and 8 to De Leon Excavating in the amount of $1,381,736.80. Director Baker seconded said motion, which carried unanimously.

9. Amended Resolution Designating Posting Location of Meeting Notices. Ms. Norton reviewed proposed changes to the current posting location due to ongoing construction within the District. A copy of the Resolution is attached hereto as Exhibit "C". Following a discussion, Director Dean moved that the Board adopt said Resolution. Director Fernandez seconded said motion, which carried unanimously.

10. Developer's Report. The Board recognized Mr. French and Ms. Box who provided a summary of construction and development currently underway within Green Meadows Tracts 7 and 8. They also discussed the project price points for single-family homes, which range from $550K to $650K. Subsequently, the Board reviewed drone footage of the District and parcels currently under construction.

Next, the Board received an overall update of construction and development for all tracts located within the Green Meadows development. General discussions were heard regarding building permits and ways to track same due to the number of on-site builders. It was reported

that construction of a new school is slated to begin in 2027. No formal action was taken by the Board.

11. Discussion of Cost Sharing Agreement for Operation and Maintenance. Ms. Norton presented to and reviewed with the Board copies of a proposed draft Agreement by and among the District and property owners within the Green Meadows Development. The agreement aims to provide an accounting mechanism for property owners to determine their pro-rata share of administrative expenses necessary to support the District's administrative and operational costs. The agreement acknowledges that an additional reimbursement agreement between the District and property owners is anticipated alongside this proposed agreement. No formal action was taken by the Board.

12. Ratify and Approve Acknowledgment of Infrastructure Development Agreement. Ms. Norton presented to and reviewed with the Board copies of an Infrastructure Development Agreement by and between OPP-GREEN MEADOWS, LP, CELINA 6, and KL LB BUY 3 LLC, a copy of which is attached hereto as Exhibit "D". Ms. Norton noted that acknowledgment of the Agreement is to evidence consent to the collateral assignment set forth in Section 3. Following a discussion, Director Cates moved that the Board ratify and approve said Agreement. Director Baker seconded said motion, which carried unanimously.

13. 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 "E". Following a discussion, Director Dean 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 Fernandez seconded said motion, which carried unanimously.

There being no further business to conduct, Director Dean moved that the meeting be adjourned at 9:02 a.m. Director Fernandez seconded said motion, which carried unanimously. The Board adjourned until further call.

(Signature Page Follows)

APPROVED AND ADOPTED this 17th day of June, 2025.

Secretary

(DISTRICT SEAL)