

**MINUTES OF THE MEETING
OF THE
BOARD OF DIRECTORS**

STATE OF TEXAS §
COUNTY OF DENTON §
SMILEY ROAD WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 §

The Board of Directors (the “Board”) of Smiley Road Water Control and Improvement District No. 1 (“SRWCID No. 1” or 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 Wednesday, December 17, 2025, at 12:00 noon, and the roll was called of the members of the Board, to-wit:

Shane Jordan	President
Michael Cummings	Vice President
James Robert Douglas, III	Secretary
Hal Watson	Assistant Secretary
Michelle Crossland Meeks	Treasurer/Assistant Secretary

All members of the Board were present at the commencement of the meeting with the exception of Director Watson and Director Meeks. Others in attendance were Mr. Bryant Caswell, P.E. and Ms. McKenna Gaddis of BGE, Inc.; Mr. Scott Norris of Tomlin Investments; Mr. Kendall Hamrick of DRG Group; Ms. April Little of Dye & Toverly LLC; and Mr. Ross Martin, attorney and Ms. Genny Lutzel, paralegal with Winstead PC.

1. Call to Order. The meeting was called to order at 12:02 pm.
2. Public Communication and Comment. Mr. Martin opened the meeting for public communication and comment. The Board recognized Mr. Hamrick who provided an update to the Board regarding DRG Group’s role with development of Green Meadows Phase 2A. Hearing no other comments, Director Cummings moved that the Board close the public communication and comment session of the meeting. Director Douglas seconded said motion, which carried unanimously.
3. Minutes of November 19, 2025, Board of Directors Meeting. Following a discussion, Director Jordan moved that the Board approve the Minutes of November 19, 2025, Board meeting. Director Douglas seconded said motion, which carried unanimously.
4. Financial Advisor Report. In the absence of a representative from the financial advisor, no formal report was heard.
5. 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”. The Board heard an update from the engineer related to close out of Phase 2A and 2B Grading

Contracts; Phase 2B Utilities Contract pending completion of utilities; and the delay of paving improvements in Phase 2B.

Next, the Board reviewed bids for the following construction projects: (i) Phase 6A South – Utility Improvements, noting that the apparent lowest bidder is Interstate Pipeline in the amount of \$1,132,318.25; however, BGE recommends that the District award the contract to Blue Star Utilities due to completion timeline requirements; (ii) Grading improvements with the lowest apparent bidder to be Chris Harp Construction in the amount of \$141,892.55; and (iii) Paving improvements with the apparent lowest bidder to be Mario Sinacola & Sons Excavating, Inc. in the amount of \$1,244,412.85. The Board next reviewed the following Change Order and Pay Estimates:

- (a) Change Order No. 6 from Mario Sinacola and Sons Excavating, Inc. for a credit in the amount of \$119,478.85 for the Green Meadows Phase 2 Grading Contract;
- (b) Pay Estimate No. 20 from Mario Sinacola and Sons Excavating, Inc. in the amount of \$51,127.23 for Green Meadows Phase 2 grading improvements; and
- (c) Pay Estimate No. 21 from Mario Sinacola and Sons Excavating, Inc. in the amount of \$64,977.28 for Green Meadows Phase 2 grading improvements.

Next, the Board reviewed a proposal from BGE for the creation of a Capital Improvements Program (“CIP”) to include field assessments, reports and workshops. Mr. Caswell reported that the cost to implement and monitor said CIP is an amount not to exceed \$42,000.00. The Board discussed the timeline for completion of an initial inspection of the District to determine items requiring immediate action, replacement or monitoring. BGE would then perform routine inspections on an annual basis or as may be required. Members of the Board and District consultants discussed the frequency of a full walk-through inspection at the commencement of the program followed by a schedule of once every five (5) years.


Following a discussion, Director Douglas moved that the Board (i) approve the Engineer’s Report and all Pay Estimates and Change Orders as presented; (ii) award contracts as recommended by BGE; and (iii) authorize creation of the CIP Program to be managed by BGE in an amount not to exceed \$42,000.00, noting that an initial walk-through inspection may result in an adjustment to future inspection schedules to include annual review in lieu of one every five years. Director Jordan seconded said motion, which carried unanimously.

6. Developer Report. Mr. Norris provided an overview of current home building totals and the status of drainage fee collection matters. Next, Mr. Hamrick provided a general timeline for construction and sale of single-family homes pending market conditions through year end 2026. No formal action was taken by the Board.

7. Bookkeeper’s Report. Ms. Little reviewed with the Board copies of a Bookkeeper’s Report, a copy of which is attached hereto as Exhibit “B”. Following a discussion, Director Jordan moved that the Board approve the bookkeeper’s report, and authorize disbursements listed thereon. Director Douglas seconded said motion, which carried unanimously.

8. There being no further business to conduct, the meeting was adjourned at 12:53 p.m., and until further call.

APPROVED AND ADOPTED this 21st day of January, 2026.


Secretary

