

**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, January 21, 2026, 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 Douglas. 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; Mr. Chad Harkin of CastleRock Communities; Ms. April Little of Dye & Toverly LLC; and Mr. Ross Martin, attorney and Ms. Genny Lutzell, paralegal with Winstead PC.

1. Call to Order. The meeting was called to order at 12:02 pm.
2. Public Communication and Comment. Hearing none, Director Cummings moved that the Board close the public communication and comment session of the meeting. Director Jordan seconded said motion, which carried unanimously.
3. Minutes of December 17, 2025, Board of Directors Meeting. Following a discussion, Director Watson moved that the Board approve the Minutes of December 17, 2025, Board meeting. Director Cummings 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 Phase 2 Grading Contract (closed); Phase 2B Utility Contract (will proceed following paving improvements); and Phase 2B paving improvements (projected to begin in late 2026). She next reported that BGE is currently working

on asset collection reporting in connection with the District's CIP Program. An update will be available at the end of February, 2026.

Following a discussion, Director Jordan moved that the Board approve the Engineer's Report. Director Watson seconded said motion, which carried unanimously.

6. Developer Report. The Board heard an update regarding Phase 2B grading and utility improvements, noting that paving work would be considered pending a review of home sales and projected closing 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 Watson seconded said motion, which carried unanimously.

8. Review District Investment Policy; and adopt Resolution Acknowledging same. Mr. Martin presented to and reviewed with the Board copies of said Resolution, a copy of which is attached hereto as Exhibit "C", noting that no changes are recommended at this time. Following a discussion, Director Jordan moved that the Board adopt said Resolution. Director Watson seconded said motion, which carried unanimously.


9. Resolution Adopting Prevailing Wage Rate Scale for Construction Workers. Mr. Martin presented to and reviewed with the Board copies of said Resolution, a copy of which is attached hereto as Exhibit "D". Following a discussion, Director Cummings moved that the Board adopt said Resolution. Director Watson seconded said motion, which carried unanimously.

10. Resolution Designating Depositories and Establishing Investment Accounts for Deposit of District Funds. Mr. Martin presented to and reviewed with the Board copies of said Resolution, a copy of which is attached hereto as Exhibit "E". Following a discussion, Director Watson moved that the Board adopt said Resolution. Director Cummings seconded said motion, which carried unanimously.

11. Supplemental Agenda to Call Directors Election for May 2, 2026. Mr. Martin discussed the matter with the Board, noting that terms of office for three Directors will expire on May 2, 2026, and that it would be appropriate at this time to call a Director's Election. Following a discussion, Director Jordan moved that the Board adopt an Order Calling Director's Election, a copy of which is attached hereto as Exhibit "F". Director Meeks seconded said motion, which carried unanimously.

12. There being no further business to conduct, the meeting was adjourned at 12:21 p.m., and until further call.

APPROVED AND ADOPTED this 18th day of February, 2026.


Secretary

