

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

February 18, 2025

THE STATE OF TEXAS §
COUNTY OF HARRIS §
BRIDGESTONE MUNICIPAL UTILITY DISTRICT §

The Board of Directors (the “Board”) of Bridgestone Municipal Utility District (the “District”) met in regular session, open to the public, at the Operations and Water Education Center, 19720 Kuykendahl Road, Spring, Texas, its regular meeting place within the boundaries of the District, on Tuesday, February 18, 2025, at 6:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

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|-----------------|---------------------|
| Johnny Pack | President |
| Joe Marks | Vice President |
| Nancy Woollard | Treasurer |
| Jeff Gebhart | Secretary |
| Michael Crayton | Assistant Secretary |

All Directors were present except Director Marks, thus constituting a quorum. Director Marks monitored the meeting via videoconference. Also attending the meeting were: Mr. Ron Schkade, General Manager of the District; Ms. Kelley Lamb, Administrative Assistant of the District; Mr. Jon D. Polley and Ms. Tabitha Valverde, attorneys, and Ms. Alison Miller, paralegal, of Polley Garza PLLC (“PG”), attorneys for the District; Messrs. David Rowe and Danny Staab of Water District Management Company, Inc. (“WDM”), operators for the District; Ms. Christina Ferguson of Myrtle Cruz, Inc., bookkeeper for the District; Mr. Ryan Schilhab, P.E., of Quiddity Engineering LLC (“Quiddity”), engineers for the District; Mr. Travis Benes of Storm Water Solutions (“SWS”), detention pond maintenance provider for the District; Ms. Pat Hall of Equi-Tax, Inc., tax assessor/collector for the District; Sergeant Brian Frasier of Harris County Precinct 4 Constable; Ms. Barbara Nussa of Republic Services, Inc., garbage and recycling service provider for the District; Mr. Merrill Willgrubs of BD Realty Advisors, real estate consultant for the District; Mr. Simon Vandyk of Touchstone District Services (“Touchstone”), communications consultant for the District; and Ms. Lisa Bertram, Bridgestone MUD Park Manager. Members of the public and/or residents of the District were also present at the meeting. A copy of the public sign-in sheet is attached as an exhibit hereto.

WHEREUPON, the meeting was called to order and evidence was presented that public notice of the meeting had been given in compliance with the law. The posted notices of the meeting are attached hereto.

PLEDGES OF ALLEGIANCE

Director Pack led the meeting attendees in the Pledges of Allegiance to the United States of America and State of Texas flags.

PUBLIC COMMENT

Mr. Schkade stated the following questions were received on public comment cards:

- 1) Can the District’s water bills be itemized to show what the residents are paying for and when rates are raised?; and
- 2) When will District residents receive the \$1.00 fee reduction that the North Harris County Regional Water Authority recently passed for surface water and pumpage fees?

Director Pack stated answers to the questions will be posted on the District’s website by Friday.

Ms. Tomi Burgess, resident of the District, addressed the Board on behalf of the Bridgestone HOA regarding the price of a water meter for the Bridgestone HOA. Ms. Burgess then requested waiver of recent sewer charges to the Bridgestone HOA due to a leak that has since been repaired.

HARRIS COUNTY PRECINCT 4 CONSTABLE'S SECURITY REPORT

Sergeant Frasier reviewed the security report for the month of January, a copy of which is attached hereto.

CONSENT AGENDA

Director Pack reviewed the structure of the consent agenda with the Board and explained that this portion of the agenda deals with routine matters of the Board, and that no separate discussion of such items will occur unless a Board member requests an item be moved to the regular portion of the agenda. Upon motion by Director Gebhart, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted unanimously to approve the following Consent Agenda items: 1) the minutes of prior meetings, including January 28, 2025, as presented; 2) pay estimates and change orders as follows: a) Wastewater Treatment Plant (“WWTP”) No. 2 Pay Estimate No. 28 in the amount of \$7,557.75; 3) the written Detention Facilities Maintenance Report; 4) the written Tax Assessor/Collector’s Report, including payment of tax-related checks stated therein; 5) the written Delinquent Tax Attorney’s Report; 6) the written Bookkeeper’s Report, including payment of bills, issuance of checks, and review of investments; 7) the written Garbage and Recycling Collection Service Report; 8) the written Communications Report; 9) the written Operations Report; 10) the written Engineering Report; 11) Bridgestone MUD Park rental rates; 12) Policies and Procedures for Use of the Bridgestone MUD Park Pavilion; 13) proposal for splash pad resurfacing; 14) purchase of new security cameras for park facilities; and 15) Resolution Declaring Surplus Property and Authorizing Sale of Property related to cameras for park. Each of the written reports referenced above are attached as exhibits hereto.

REGULAR AGENDA

STRATEGIC PARTNERSHIP AGREEMENT (“SPA”) AUDIT, INCLUDING UPDATE SPA BUSINESS LIST

No report was given.

REAL ESTATE CONSULTANT REPORT

Mr. Willgrubs reported that he continues to coordinate with property owners regarding the Sanitary Control Easements related to Water Well No. 5 at the Water Plant No. 4 site. Mr. Willgrubs next reported that he also continues to coordinate with property owners regarding the remaining Water Line Easements and Sanitary Sewer Easements needed for the All Seasons Plaza Retail Development Utility Extension project.

Mr. Willgrubs then stated that he expects the District will receive an offer to purchase the 2.78-acre tract of land on Gosling Road and Kuykendahl Road in the next few days.

DETENTION FACILITIES MAINTENANCE REPORT

Mr. Benes presented a proposal for raising two (2) inlets at WWTP No. 2, in the amount of \$7,935.87. Mr. Schilhab explained the two (2) inlets need to be raised after the tract was graded and this amount would have been included in phase II of the expansion project had Caldwell Companies not provided the dirt and grading for the tract.

Mr. Benes next presented a proposal for repairs to a sinkhole at the Bella Sera/Spring Terrace detention pond, in the amount of \$5,220.00.

Upon motion by Director Woollard, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to accept the two (2) proposals from SWS as outlined above.

TAX ASSESSOR/COLLECTOR'S REPORT, INCLUDING RESOLUTION FROM TAXATION FOR 2025 TAX YEAR (THE "RESOLUTION")

Mr. Hall reminded the Board that last year, the Board granted a \$35,000 exemption for individuals who are disabled or 65 years of age or older and a 20% general residential homestead exemption. Mr. Polley noted that the 20% general homestead exemption is the maximum exemption that the District is allowed to grant. Mr. Polley then stated that if the Board is interested in increasing the exemption for individuals who are disabled or 65 years of age or older, then Mr. John Howell, the District's financial advisor, can prepare an exemption analysis for the next Board meeting. Upon motion by Director Crayton, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution, granting a \$35,000 exemption for individuals who are disabled or 65 years of age or older and a 20% general residential homestead exemption.

Ms. Hall exited the meeting at this time.

BOOKKEEPER'S REPORT

Ms. Ferguson stated she had nothing to report that is not included in her written report.

COMMUNICATIONS REPORT

Mr. Vandyk provided an update on the District's website, news posts and statistics. Director Crayton asked that questions that are received via the District's website be sent to the whole Board. Mr. Vandyk stated it is his understanding that is the current process for questions received via the District's website. Director Crayton then asked if the questions being received via the District's website are then posted and answered on the website. Mr. Vandyk stated that has not been the process but that he can work with his liaison on a process going forward. Director Pack stated that some questions received through the website are not public in nature but that if any Director sees a question that needs to be made public, it should be posted to the District's website.

OPERATIONS REPORT

Mr. Staab reviewed various repair and maintenance items throughout the District and presented the list of delinquent accounts and uncollectable accounts to the Board. Upon motion by Director Crayton, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) authorize the write-off of uncollectable accounts listed on the Operator's Report; and 2) authorize termination of delinquent accounts in accordance with the District's Rate Order.

GENERAL MANAGER'S REPORT

Mr. Schkade presented the General Manager's Report to the Board, a copy of which is attached hereto. Mr. Schkade reported that construction of the fences around Water Plant No. 4 and WWTP No. 2 is ongoing.

ENGINEERING REPORT

Mr. Schilhab reported a request was received for preparation of a feasibility study for Reserve B of the Spring BTR development, located at 20817 Rhodes Road. Mr. Schilhab reminded the Board they approved service to and annexation of Reserve A of the development at the December Board meeting. Mr. Schilhab stated the proposed project is for a multi-family development.

Mr. Schilhab next reported a request was received for preparation of a feasibility study for the Kreinhop Office Warehouse located at 4333 and 4444 Kreinhop Road.

Mr. Schilhab then requested authorization for preparation of an encroachment agreement for the Gosling Retail Development. Mr. Schilhab stated the encroachments will include shrubs and paving within two District water line easements.

Mr. Schilhab went on to report Harris County Precinct 3 has requested an amended agreement with the District for water and sanitary sewer service to their Spring Camp property. Mr. Schilhab stated an amended agreement will be needed, as well as a license agreement to allow their service line to be constructed in the District's easement.

Upon motion by Director Gebhart, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) authorize preparation of a feasibility study for Spring BTR Reserve B; 2) authorize preparation of a feasibility study for the Kreinhop Office Warehouse; 3) authorize preparation of an encroachment agreement for the Gosling Retail Development; and 4) authorize preparation of an amended service agreement and license agreement with Harris County Precinct 3.

DIRECTOR'S ITEMS

Discussion ensued regarding the Director's inspection of District facilities each month. The Board concurred to continue with monthly inspections.

Director Pack presented the Policy Regarding Consultant Reports and Invoices (the "Policy"), a copy of which is attached hereto. Director Pack explained the Policy requires consultants to send their invoices to their liaison, General Manager, MCI and any Director that requests a copy by the 10th of each month and for the liaison and General Manager to review each invoice prior to the regular Board meeting. Director Crayton asked if the invoices will also be uploaded to the District's shared drive. Director Pack noted that if there are any issues with consultant invoices that cannot be resolved by the monthly Board meeting, that invoice will be pulled and payment will not be made until the issues can be resolved. Director Pack further stated that the Policy also requires consultants to distribute their written reports to their liaison and General Manager by the Friday prior to the monthly Board meeting, and that any other Director that wishes to receive a consultant report can be included. Upon motion by Director Crayton, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Policy.

Director Crayton stated that he would like to receive copies of the invoices and written reports from all consultants when they are sent to the liaisons.

PARK MANAGER'S REPORT

Ms. Bertram reported an Assistant Park Manager has been hired and will be starting this week, and a job listing has been posted on the District's website for a Lead Park Associate.

Mr. Schkade stated he is in the process of receiving three (3) bids for the monument signs that will be constructed at the entrance to the park and on Rhodes Road, but that the cost will be under \$25,000.00. Mr. Polley stated that the Board can authorize Mr. Schkade to proceed with construction of the monument signs at a cost not to exceed \$25,000.00. Mr. Schkade stated he will continue to work with the park liaison on the matter. Upon motion by Director Woollard, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Mr. Schkade to work with the park liaison to approve construction of two (2) park monument signs, at a cost not to exceed \$25,000.00.

Mr. Schkade then reported Republic Services can provide a dumpster at the park for approximately \$200.00 per month. Mr. Polley stated Mr. Schkade can sign a contract for the dumpster under his authority as General Manager.

Director Pack reported the security cameras for the park will be installed soon. Director Pack then stated the Board wants to add an additional fountain in the pond and change the sprayer on the existing fountain to match the second fountain. Mr. Schkade stated he has one (1) bid for the second fountain in the amount of \$25,500.00 and will be obtaining two (2) additional bids. Upon motion by Director Woollard, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Mr. Schkade to install a second fountain in the park pond and change the sprayer on the existing fountain, at a cost not to exceed \$26,000.00.

Director Pack then reported the District is targeting March 1st as a soft opening date for the park, depending on weather conditions. Director Pack stated an official grand opening event will likely be held on May 17th.

Mr. Polley stated PG has been working on adding the park to the District's existing insurance policies and will continue to work with the park liaison to get coverage in place as soon as possible. Mr. Polley noted liability coverage is already in place for the park.

ATTORNEY'S REPORT

Mr. Polley requested authorization for McCall Gibson Swedlund Barfoot Ellis PLLC ("MGSBE") to prepare a supplemental reimbursement report related to the Greystar multifamily development reimbursement.

Mr. Polley then presented the Resolution Adopting Amended Post-Issuance Debt Compliance Policies (the "PICP Resolution") which streamlines the District's Post-Issuance Debt Compliance Policies and removes the requirement to complete an annual update checklist. Mr. Polley also informed the Board that PG will be holding a Post-Issuance Tax Exempt Debt Compliance seminar on April 12th and invited the Board to attend.

Mr. Polley next reported a warranty extension has been received from Hart Intercivic for the District's voting equipment, but that Mr. Schkade will be able to handle under his authority as General Manager and no action is required from the Board.

Mr. Polley then requested authorization to file the District's financial and tax-related information with the Texas Comptroller's Special Purpose District Public Information Database ("SPDID"), which is required on an annual basis.

Upon motion by Director Woollard, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) authorize MGSBE to prepare a supplemental reimbursement report for Greystar Development Central, LLC; 2) authorize Mr. Schkade and the park liaison to approve the park insurance; 3) adopt the PICP Resolution; 4) authorize filing with the SPDID; and 5) authorize attendance at PG's Post-Issuance Tax Exempt Debt Compliance seminar.

There being no further business to come before the Board, the meeting was adjourned.

PASSED, APPROVED AND ADOPTED this 18th day of March 2025.




Secretary, Board of Directors