

MINUTES OF MEETING OF BOARD OF DIRECTORS

July 15, 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, July 15, 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 Directors Marks and Crayton, thus constituting a quorum. Also attending the meeting were: Ms. Megan Bradley, Executive Vice President of the District; Ms. Kelley Lamb, Administrative Assistant of the District; Ms. Lisa Bertram, Bridgestone MUD Park Manager; Mr. Jon Polley, attorney, and Ms. Alison Miller, paralegal, of Polley Garza PLLC ("PG"), General Counsel to 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; Ms. Leslie Mendez of Equi-Tax, Inc., tax assessor/collector 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; Corporal Cowan 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; and Mr. Simon VanDyk of Touchstone District Services ("Touchstone"), communications consultant for the District. 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.

Director Pack then demonstrated the new sound system in the meeting room and stated future Board meetings will be available to watch live through Microsoft Teams. Director Pack

noted the Board meetings are now being recorded and the microphones throughout the room are sensitive and can pick up any conversation.

Director Pack then asked the meeting attendees to observe a moment of silence in remembrance of those that were affected by the recent flooding event in the Texas hill country.

Director Pack next thanked Mr. Ron Schkade for 25 years of service to the District. Director Pack stated he appreciates everything Mr. Schkade has done on behalf of the District.

PUBLIC COMMENT

Ms. Bradley stated a public comment card was received regarding the date for the next shred event. Ms. Nussa stated she does not yet have a firm date.

HARRIS COUNTY PRECINCT 4 CONSTABLE'S SECURITY REPORT

Corporal Cowan reviewed the security report for the month of May, a copy of which is attached hereto.

PUBLIC COMMENT, CONTINUED

Ms. Bradley then reviewed the following questions and answers from the June 17th Board meeting:

1. Question: "A resident of the District addressed the Board regarding repairs to the Bridgestone Lakes detention pond outfall pipes. He stated that he had discussed the matter with the District's Real Estate Consultant and understood that the proposals for the repairs would be presented during tonight's meeting?"

Answer: There is a substantial cost involved in repairs so the Board has decided to acquire bids for the cost of the job. The process is under way and hopefully the bid process will be completed soon.

2. Question: "Are there reports for the trash trooper located in the Senterra Lakes detention pond?"

Answer: Pictures have been sent to the resident showing the before and after cleaning of the trash trooper.

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 Woollard, 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 June 17, 2025 and June 23, 2025, as presented; 2) pay estimates and change orders as follows: a) Sanitary Sewer Rehabilitation – Ph II Pay Estimate No. 4 in the amount of \$639,243.53; b) Water Plant &

Lift Station Generator Replacement/Addition Pay Estimate No. 2 in the amount of \$142,695.00; c) Trinity Grove Detention Pond Pay Estimate No. 4 in the amount of \$94,722.66; d) Trinity Grove WS&D Pay Estimate No. 2 in the amount of \$722,657.25; 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; and 10) the written Engineering Report. Each of the documents referenced above are attached as exhibits hereto.

REGULAR AGENDA

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

No SPA report was given.

REAL ESTATE CONSULTANT REPORT

Mr. Willgrubs reported that he continues to coordinate with the final property owner regarding the remaining Water Line Easements and Sanitary Sewer Easements needed for the All Seasons Plaza Retail Development Utility Extension project.

DETENTION FACILITIES MAINTENANCE REPORT

Mr. Benes presented the following proposals: a) \$1,250.00 for replacement of a vault lid spring at the Sanctuary Veritas vault no. 4; b) \$23,757.03 for regrading the WWTP No. 2 site, installation of a crushed road base and hydromulching of disturbed areas; and c) \$8,625.00 for labor and equipment to clear the residential fence line along the detention pond at WWTP No. 2.

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 approve the three (3) proposals as outlined above and included in the written Detention Pond Maintenance Report.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Mendez reviewed the Tax Assessor/Collector's Report with the Board. Ms. Mendez reported she expects to receive the District's certified taxable value by the end of August or beginning of September.

DELINQUENT TAX ATTORNEY'S REPORT

Ms. Mendez reviewed the Delinquent Tax Attorney's Report with the Board. Ms. Mendez stated the delinquent tax attorney is requesting Board authorization to send out water termination letters to customers with delinquent 2024 taxes advising them of the August 19th Board meeting date, at which time, the Board will be asked to authorize termination of service to the accounts remaining delinquent. 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 transmittal of water termination letters to customers with delinquent 2024 taxes.

RESOLUTION DECLARING DEVELOPMENT STATUS OF DISTRICT FOR 2025 TAX YEAR (THE "RESOLUTION")

Mr. Polley explained the need for the District to adopt a resolution indicating whether the District is a developed or a developing district. Mr. Polley stated he consulted with Quiddity and is recommending to the Board that the District should classify itself as a developing district. Upon motion by Director Gebhart, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution designating the District as developing for tax rate setting purposes.

GARBAGE AND RECYCLING COLLECTION SERVICE REPORT

Discussion ensued regarding the District's fall 2025 and spring 2026 shred events. Ms. Nussa stated she will confirm October 4, 2025 and April 18, 2026 as the next shred events.

BOOKKEEPER'S REPORT

Ms. Ferguson stated she wrote check no. 3400 in the amount of \$88,783.00 to C&C Water Services, LLC after the Bookkeeper's Report was prepared. Upon motion by Director Gebhart, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to approve check no. 3400 in the amount of \$88,783.00 to C&C Water Services, LLC.

COMMUNICATIONS REPORT

Mr. Vandyk provided an update on the District's website, news posts and statistics.

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 Woollard, 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

Ms. Bradley presented the General Manager's Report to the Board. Ms. Bradley reported on the status of various District projects. Ms. Bradley stated a new signature card has been prepared for the District's bank account used for park and building rental deposit refunds and a Resolution Authorizing Board President and Executive Vice President to Sign Approved Disbursements has been prepared. Ms. Bradley noted only she and Director Pack will have authority to sign checks from the account. 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 adopt the Resolution Authorizing Board President and Executive Vice President to Sign Approved Disbursements.

PARK MANAGER'S REPORT

Ms. Bertram reviewed the Park Manager's Report with the Board and reported on various park related items. Ms. Bertram reported the post and chain project is 95% complete and the park will be closed on July 21st for routine maintenance. Ms. Bertram then reported she is ready to begin collecting contact information from potential park volunteers. Ms. Bertram stated she would like to begin with two (2) volunteers per day and eventually move up to six (6) volunteers per day.

Ms. Bertram next reported the severe weather procedures have been prepared and are ready to post on the District's website. Director Pack asked Ms. Bertram to circulate the severe weather procedures to the Board when it has been finalized.

Ms. Bertram also reported she is in the process of procuring bids for landscape maintenance services.

Director Woollard asked if the background check policy has been finalized for the park volunteer program. Mr. Polley stated he is working on the background check policies for both District employees and park volunteers, and he anticipates presenting it to the Board for consideration at the August 19th Board meeting.

ENGINEERING REPORT

Mr. Schilhab reported a request for feasibility study was received from the potential developer of a 10-acre tract off FM 2920 in front of the Rhodes Landing subdivision. Mr. Schilhab stated the developer intends to construct a 255-unit tax-exempt multi-family development and is proposing to enter into an agreement with the District for a payment in lieu of taxes. Mr. Schilhab noted the tract is already within the boundaries of the District. Mr. Blake Hopkins introduced himself to the Board and stated he is considering purchasing the 10-acre tract but wanted to ensure the District would be willing to service the tract before the project progresses. Discussion ensued regarding the proposed development and the Board concurred to defer the matter until additional information could be provided.

Mr. Schilhab next presented Change Order No. 1 in the amount of \$0.00 and zero (0) additional calendar days related to the Water Plant & Lift Station Generator Replacement/Addition project for tariff surcharges on the generators for the project. Mr. Schilhab explained the \$5,050.00 tariff charges will be billed against a \$40,000.00 allowance line item included in the contract to account for unforeseen conditions that could not be determined at the time the project was bid, which makes the change order amount net zero. Mr. Polley stated he discussed the matter with Mr. Schilhab and they recommend including an item in the District's special conditions to construction contracts that states the District will approve a change order for any unforeseen tariff charges. Mr. Polley then stated he will work with Mr. Schilhab on the language for the special conditions.

Mr. Schilhab then requested authorization to advertise the WWTP No. 1 Improvements project and the Sanitary Sewer Cleaning & Televising Phase 17-20 project for bids.

Regarding the Sanitary Sewer Rehabilitation Phase III project, Mr. Schilhab reported the project was bid but the project contains multiple fiberglass manholes which are very difficult to repair because nothing adheres to the fiberglass. Mr. Schilhab stated that because of the difficulty in repairing fiberglass manholes, only one (1) contractor bid on the project and the price came in

over the budgeted amount for the project. Mr. Schilhab recommended removing the fiberglass manholes from the scope and rebidding the project. Mr. Schilhab stated the fiberglass manhole rehabilitation project can be added to the District's Capital Improvement Plan and budget to address over the next five (5) to seven (7) years based on urgency. Upon motion by Director Gebhart, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to remove the fiberglass manholes from the scope and rebid the Sanitary Sewer Rehabilitation Phase III project.

Mr. Schilhab then presented the bid tabulation for the Public Lift Station No. 9 and Utility Extension to Serve ONM Living Development project. Mr. Schilhab recommended the Board concur with the award of the contract to Peltier Brothers Construction ("Peltier"), in the amount of \$1,343,418.00. Mr. Schilhab noted Peltier is the second low bidder on the project, but the first low bidder, AR TurnKee Construction Company Inc. did not meet the District's requirements for the specified construction method. Mr. Schilhab further stated this project is developer funded.

Mr. Schilhab next reported Harris County Precinct ("HCP") 3 is requesting applications for a sidewalk repair partnership. Mr. Schilhab explained this will be an opportunity to partner with HCP 3 on sidewalk improvements within the District if the District's application is chosen. Mr. Schilhab reviewed the application scoring system. Director Pack suggested creating a subcommittee to look into the project before the September 5th deadline.

Mr. Schilhab requested authorization for preparation of a Consent to Encroachment Agreement for the Gosling Commons development, located at the northwest corner of Gosling Road and FM 2920.

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: 1) approve Change Order No. 1 in the amount of \$0.00 and zero (0) additional calendar days related to the Water Plant & Lift Station Generator Replacement/Addition project; 2) authorize advertisement of the WWTP No. 1 Improvements project for bids; 3) concur with the award the contract for the Public Lift Station No. 9 and Utility Extension to Serve ONM Living Development project to Peltier in the amount of \$1,343,418.00; 4) authorize preparation of a Consent to Encroachment Agreement for Gosling Commons; and 5) authorize Director Crayton to work with Mr. Schilhab and Ms. Bradley on the HCP 3 sidewalk project application process.

Director Pack then stated he would like Mr. Rowe to work with the water and sewer rate study subcommittee. Upon motion by Director Gebhart, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to approve Mr. Rowe to join the water and sewer rate study subcommittee.

Discussion then ensued regarding the Trinity Grove detention pond.

DIRECTOR'S REPORT

Mr. Staab stated Director Marks performed the Director's inspection for the month of July and that the District's facilities are in good condition.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") – TEXAS 2025 FALL SEMINAR, DIRECTORS 201 SEMINAR, AND 2026 MID-WINTER CONFERENCE

Mr. Polley stated this item is on the agenda for the Board to consider Director attendance at the AWBD 2025 Fall Seminar, Directors 201 Seminar and 2026 Mid-Winter Conference. Mr. Polley noted the Mid-Winter Conference will be held in Houston and the Board will need to determine whether or not a hotel room will be an authorized reimbursable expense due to the proximity to the District. Discussion ensued regarding reimbursement for expenses related to the 2026 Mid-Winter Conference.

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 attendance at the AWBD 2025 Fall Seminar, Directors 201 Seminar and 2026 Mid-Winter Conference, including transportation expenses but not a hotel room related to the 2026 Mid-Winter Conference.

INSURANCE RENEWAL PROPOSALS

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 PG to procure an insurance renewal proposal from Arthur J. Gallagher.

AMENDMENT TO CONSULTANT CONTRACTS REGARDING FEES FOR GENERAL SERVICES

Director Pack stated he would like the District's consultants to move to a retainer fee model for phone calls and emails between the Board and consultants so that the District is charged one (1) flat fee per month for communication between the Board and the consultant. Mr. Polley stated his understanding was the Board would like PG to move to a flat fee billing structure for all general services items. Director Pack stated he was looking for something much narrower that encompasses only communication between the Board and consultants that could not be billed to a specific project. Discussion ensued regarding Director Pack's request and no action was taken by the Board.

ATTORNEY'S REPORT

Mr. Polley presented the Petition for City Consent to Annex Land, the Annexation and Service Agreement and the Agreement for Financing of Facilities (collectively, the "Annexation Documents") related to the Lin's International Buffet development. 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 approve the Annexation Documents.

Mr. Polley stated he had no update on the removal of a Director pursuant to Texas Water Code Section 49.052(g).

Mr. Polley next reviewed the Series 2020 5th Year Rebate Report, Series 2022 Interim Rebate Report and Series 2024 Interim Rebate Report, copies of which are attached hereto. Mr. Polley stated the District does not currently owe any arbitrage payments, but that a payment might be owed once the Series 2022 Bonds and Series 2024 Bonds reach the five (5) year mark.

Mr. Polley informed the Board that PG is preparing a final legislative update memorandum summarizing any new laws that may impact water districts.

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

PASSED, APPROVED AND ADOPTED this 19th day of August 2025.

Signed by:



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Secretary, Board of Directors

