

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

April 16, 2024

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, April 16, 2024, at 6:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Michael Crayton	President
Martha Gutierrez	Vice President
David Berry	Secretary
Mikuel K. Draper	Assistant Secretary
Martha Velazquez	Treasurer

All Directors were present thus constituting a quorum. Also attending the meeting were: Mr. Jon Polley and Ms. Monica Garza, attorneys, and Ms. Alison Miller, paralegal, of Polley Garza PLLC ("PG"), attorneys for the District; Mr. Danny Staab of Water District Management Company, Inc. ("WDM"), operators for the District; Ms. Christina Ferguson of Myrtle Cruz, Inc., bookkeeper for the District; Messrs. Josh Lee, P.E., and Ryan Schilhab, P.E., of Quiddity Engineering LLC ("Quiddity"), engineers for the District; Ms. Pat Hall of Equi-Tax, Inc., tax assessor/collector for the District; Ms. Tara Klein of Four and One Landscape Architects, landscape architects for the Bridgestone MUD Park; Ms. Megan Bradley of Triton Consulting Group, communications consultant for the District; Ms. Barbara Nussa of Republic Services, Inc., garbage and recycling service provider for the District; Messrs. Brad Dill and Merrill Willgrubs of BD Realty Advisors, real estate consultant for the District; and Mr. Travis Benes of Storm Water Solutions, detention and drainage facility maintenance contractor for the District.

Several 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.

PUBLIC COMMENT

No public comments were given.

HARRIS COUNTY PRECINCT 4 CONSTABLE'S SECURITY REPORT

Sergeant Frasier reviewed the security report for the month of March, a copy of which is attached hereto. Upon motion by Director Velazquez, seconded by Director Draper, after full

discussion and the question being put to the Board, the Board voted unanimously to approve the Constable's Report.

CONSENT AGENDA

Director Crayton 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.

Director Velazquez requested that approval of the minutes and review and approval of the bookkeeper's report be considered during the regular agenda.

Upon motion by Director Berry, 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) pay estimates and change orders as follows: a) WWTP No. 2 Pay Estimate No. 18 in the amount of \$124,650.00; b) Sanitary Sewer Rehabilitation – PH I-III Pay Estimate No. 1 in the amount of \$71,437.50; 2) the written Detention Facilities Maintenance Report; 3) the written the Tax Assessor/Collector's Report, including payment of tax-related checks; 4) the written Delinquent Tax Attorney's Report; 5) the written Garbage and Recycling Service Report; 6) the written Communications Report; 7) the written Operations Report; and 8) the written Engineer's Report. Each of the written reports referenced above are attached as exhibits hereto.

REGULAR AGENDA

STRATEGIC PARTNERSHIP AGREEMENT ("SPA") AUDIT REPORT

No SPA audit report was given.

GARBAGE AND RECYCLING SERVICE REPORT

Ms. Nussa stated the District's document shred event is scheduled for April 27th and she will be sending the information out to the HOAs to distribute to residents. Ms. Nussa then informed the Board of the available dates for a fall document shred event. The Board concurred to hold the fall document shred event on October 12th.

Ms. Nussa noted she would bring Republic's donation check for the Bridgestone Greenways Conservancy to the next Board meeting.

LANDSCAPE ARCHITECT'S REPORT, INCLUDING ADDITIONAL BRIDGESTONE MUD PARK CONSTRUCTION UPDATES

Ms. Klein reviewed the report on construction of the Bridgestone MUD Park with the Board. Ms. Klein then presented: 1) Pay Application No. 14 in the amount of \$712,124.11; and 2) Change Order No. 11 for a deduction of \$100,000.00 and no increase in days for importing soil which has not been needed for the project. Ms. Klein also presented the Texon Solar Energy LLC contract for Board approval, pending review by PG.

Upon motion by Director Velazquez, seconded by Director Berry, after full discussion and

the question being put to the Board, the Board voted unanimously to approve Change Order No. 11 for a deduction of \$100,000.00 and no increase in days for importing soil which has not been needed for the project.

Upon motion by Director Crayton, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor and one (1) vote opposed, with Director Velazquez voting in opposition, to approve: 1) Pay Application No. 14 in the amount of \$712,124.11; and 2) approve the contract with Texon Solar Energy LLC, pending review by PG.

DETENTION FACILITIES REPORT

Mr. Benes provided an update on various detention pond maintenance items throughout the District. Mr. Benes presented a proposal to repair or replace the Springbrook Plaza detention pond jockey pump, in the amount of \$9,279.00 for repairs or \$12,160.00 for a replacement. Upon motion by Director Crayton, seconded by Director Velazquez, after full discussion and the question being put to the Board, the Board voted unanimously to approve the proposal to replace the Springbrook Plaza jockey pump in the amount of \$12,160.00.

TAX ASSESSOR/COLLECTOR'S REPORT

No further tax assessor/collector's report was given.

DELINQUENT TAX ATTORNEY'S REPORT

No further delinquent tax attorney's report was given.

BOOKKEEPER'S REPORT

In response to a questions from Director Velazquez, Ms. Ferguson reviewed several budget line items. Ms. Ferguson also reviewed the proposed amended budget for fiscal year 2024, a copy of which is attached hereto.

Upon motion by Director Velazquez, seconded by Director Draper, after full discussion and the question being put to the Board, the Board voted two (2) votes in favor and three (3) votes opposed, with Directors Crayton, Gutierrez and Berry voting in opposition, to approve the bookkeeper's report, including payment of bills, with the exception of the invoices for Forney Construction related to the park and any expenses related to the veterans memorial. The motion failed to pass due to lack of a majority vote.

Upon motion by Director Crayton, seconded by Director Berry, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor with Director Velazquez abstaining, to adopt the amended budget. Director Velazquez noted she is not against the veterans memorial, but she she is abstaining because she opposes the amended budget.

Upon motion by Director Gutierrez, seconded by Director Draper, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor and one (1) vote opposed, with Director Velazquez voting in opposition, to approve the bookkeeper's report, investment report and payment of bills reflected therein.

COMMUNICATIONS REPORT

Ms. Bradley reported she made several updates to the District's election page during the prior month. Director Velazquez requested that Triton upload the consultant reports from Board meetings to the District's website as was previously approved by the Board. Ms. Bradley stated she will request the reports be sent to her by the consultants and upload them.

OPERATIONS REPORT

Mr. Staab reported on various repair and maintenance items throughout the District. Mr. Staab stated he will begin preparation of the District's 5-Year Water Loss Audit. Upon motion by Director Gutierrez, seconded by Director Crayton after full discussion and the question being put to the Board, the Board voted unanimously to: 1) authorize termination of delinquent accounts in accordance with the District's Rate Order; and 2) authorize the write-off of uncollectable accounts listed in the operator's report.

GENERAL MANAGER'S REPORT

Mr. Schkade presented his general manager's report to the Board.

DIRECTOR'S INSPECTION REPORT

Director Draper reviewed his Director's inspection report with the Board, a copy of which is attached hereto.

Director Crayton requested scheduling a regular Board meeting on the first Tuesday of the month at 6:00 p.m. for the landscape architect report and the general manager's report, starting May 7th. Upon motion by Director Crayton, seconded by Director Gutierrez after full discussion and the question being put to the Board, the Board voted four (4) votes in favor and one (1) vote opposed, with Director Velazquez voting in opposition, to approve scheduling a regular Board meeting on the first Tuesday of the month at 6:00 p.m. for the landscape architect report and the general manager's report, starting May 7th.

ENGINEERING REPORT

Mr. Schilhab reported a request was received from Lincoln Wood Baptist Church for an amended feasibility study in order to service their tract with water and sanitary service capacity.

Mr. Schilhab then requested authorization to proceed with design of the sanitary sewer extension to serve the Spring BTR development and with work by PG required for the District to annex the tract, pending receipt of the deposit from the developer. Mr. Schilhab reminded the Board there will be no reimbursement for the project.

Mr. Schilhab next requested authorization to proceed with design of the public lift station and utility extension to serve the ONM Living development, pending receipt of the deposit from the developer.

Mr. Schilhab also reported on the status of the WWTP Digester & Blower Improvements

Phase I project. Mr. Schilhab recommended staggering the draining of the tanks while pumping sludge to the empty tanks to mitigate costs while the new diffusers are being ordered and installed.

Upon motion by Director Berry, seconded by Director Velazquez after full discussion and the question being put to the Board, the Board voted unanimously to: 1) authorize preparation of a feasibility study for Lincoln Wood Baptist Church; 2) authorize design of the sanitary sewer extension to serve the Spring BTR development and with work necessary for the District to annex the tract, pending receipt of the deposit; 3) authorize design of the public lift station and utility extension to serve the ONM Living development with work necessary for the District to annex the tract, pending receipt of the deposit from the developer; and 4) approve the change to the WWTP Digester & Blower Improvements Phase I project as described above.

RECREATIONAL FACILITIES REPORT

Director Crayton stated AlphiOmega is working on preparation of the conceptual design of the veterans memorial and a future town hall will be held to review and receive comments on the design.

Mr. Polley reported he prepared a deed conveying the seven (7) lots owned by the District in the Bridgestone subdivision to the Bridgestone HOA. Director Crayton stated he spoke to the Bridgestone HOA and they have asked that the District provide them with information regarding the use of the District's easement for installation of Flock license plate reader cameras on Bridgeview. Director Crayton asked that PG coordinate with the management company for the Bridgestone HOA regarding the property conveyance and use of the District's easement. Mr. Polley then noted a surplus property resolution will be needed before conveying any District property to another entity.

Upon motion by Director Draper, seconded by Director Berry, after full discussion and the question being put to the Board, the voted four (4) votes in favor, with Director Velazquez abstaining, to authorize execution of the deed conveying the seven (7) lots owned by the District in the Bridgestone subdivision to the Bridgestone HOA.

REAL ESTATE CONSULTANT REPORT

Mr. Willgrubs provided an update on the status of release of various easements across the District's 2.78-acre tract.

Mr. Willgrubs stated an update on negotiations to acquire sanitary control easements for to Water Well No. 5 would be given in closed session.

ATTORNEY'S REPORT

Mr. Polley then presented a Petition for Annexation of Land and Petition for City Consent to Annex Land, (collectively, the "Annexation Documents") related to the annexation of the Gosling MF II Prop. Co. 2. Upon motion by Director Crayton, seconded by Director Velazquez, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Annexation Documents.

Ms. Garza presented an Amended Water Supply Agreement ("WSA") between the District and the North Harris County Regional Water Authority (the "Authority") to increase the surface

water supply provided from the Authority to the District. Ms. Garza stated the request has been approved by the Authority and the District's maximum usage is 4.5 million gallons per day. Upon motion by Director Crayton, seconded by Director Berry, after full discussion and the question being put to the Board, the voted unanimously to approve the WSA.

The Board then considered joining the American Water Works Association and the Texas Rural Water Authority. The Board concurred to further consider this matter at its next regular Board meeting.

SUPPLEMENTAL NOTICE OF PUBLIC MEETING

Ms. Garza stated early voting for the District's Directors Election begins on Monday, April 22nd and ends Tuesday, April 30th, and Election Day is on Saturday, May 4th. Ms. Garza reported the District's election officials are already processing ballots by mail.

Director Berry asked Ms. Garza to explain why the District is holding its own Directors Election instead of contracting with Harris County for joint election services. Ms. Garza explained Harris County declined to offer joint election services for the May 2024 election cycle which required entities with scheduled elections to hold their own elections. Ms. Garza stated the District was then obligated to purchase election equipment to hold their own election because the election equipment vendors are no longer renting equipment. Ms. Garza stated the Association of Water Board Directors had a group of attorneys speak to the Harris County Commissioners Court regarding the matter and requesting that Harris County offer joint election services, but no change was made.

MINUTES OF PRIOR MEETINGS

Director Velazquez stated the March 19th regular minutes state she attended the Board meeting, but she was not in attendance. Upon motion by Director Berry, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted four (4) votes in favor, with Director Velazquez abstaining, to approve the March 19th regular meeting minutes, as revised.

STATE OF THE DISTRICT

The Board provided an update on various District projects performed in recent months/years.

PUBLIC COMMENT

A member of the public asked how to sign up for park committees. Director Crayton stated that Mr. Schkade could provide the requested information.

EXECUTIVE SESSION

Director Crayton convened the Board in executive session at 7:52 p.m., pursuant to Section 551.072, Texas Government Code, regarding negotiation on the acquisition of real property. Directors Crayton, Draper, Berry, Gutierrez, Velazquez, Mr. Schkade, Mr. Dill, Mr. Willgrubs, Mr. Polley, Ms. Garza and Ms. Miller remained in the executive session.

RECONVENE IN OPEN SESSION

Director Crayton then reconvened the meeting in open session at 8:00 p.m., at which time Director Crayton made a motion, seconded by Director Draper, after full discussion and the question being put to the Board, to authorize execution of the sanitary control easements and approve payment for same upon execution by the homeowners.

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

PASSED, APPROVED AND ADOPTED this 21st day of May, 2024.



Asst. 
Secretary, Board of Directors