

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

April 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, April 15, 2025, at 6:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

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. Also attending the meeting were: Mr. Ron Schkade, General Manager of the District; Ms. Kelley Lamb, Administrative Assistant of the District; Ms. Lisa Bertram, Bridgestone MUD Park Manager; Mr. Jon D. Polley, attorney, 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; 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; 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.

PUBLIC COMMENT

In response to a public comment made at the March 18th Board meeting, Director Pack stated the Board would be discussing preparation of a rate analysis that would include how to handle the North Harris County Regional Water Authority surface water fee.

Mr. Schkade stated the following question was received on a public comment card:

- 1) Why is the entrance to the operations center/District park blocked by a dumpster?

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 Woollard, seconded by Director Gebhart, 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 March 18, 2025, as presented; 2) pay estimates and change orders as follows: a) Wastewater Treatment Plant ("WWTP") No. 2 Pay Estimate No. 30 in the amount of \$20,803.64; b) Sanitary Sewer Rehabilitation-Ph II Pay Estimate No. 2 in the amount of \$275,585.88; c) Trinity Grove Detention and Amenity Pond Pay Estimate No. 1 in the amount of \$80,118.64; 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 written reports referenced above are attached as exhibits hereto.

REGULAR AGENDA

REPORT ON APPLYING AGREED-UPON PROCEDURES TO CONSTRUCTION, ENGINEERING AND RELATED COSTS ("AUP") REIMBURSABLE TO GEP XI BIRCHWAY SPRING CYPRESS ("GEP") FOR THE GREYSTAR DEVELOPMENT

Mr. Flores reviewed the AUP with the Board, a copy of which is attached hereto. Mr. Flores stated the reimbursable amount to GEP is \$2,192,645.74 and represents 100% reimbursement for the development. 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 approve the report and authorize payment of the reimbursement amount to GEP.

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 remaining Water Line Easements and Sanitary Sewer Easements needed for the All Seasons Plaza Retail Development Utility Extension project.

Mr. Willgrubs then stated the District is under contract for the sale of the 2.78-acre tract of land on Gosling Road and Kuykendahl Road and closing is scheduled for April 17th.

DETENTION FACILITIES MAINTENANCE REPORT

Mr. Benes stated he had nothing further to add to his written report.

TAX ASSESSOR/COLLECTOR'S REPORT

No additional report was given.

DELINQUENT TAX ATTORNEY'S REPORT

No additional report was given.

BOOKKEEPER'S REPORT

Ms. Ferguson reported the reimbursement to GEP will be made out of the District's construction fund.

GARBAGE AND RECYCLING COLLECTION SERVICE REPORT

Ms. Nussa reported the next document shred event will be held on October 4th.

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

Mr. Schkade presented the General Manager's Report to the Board, a copy of which is attached hereto. Mr. Schkade reported on the status of various District projects.

Mr. Schkade introduced Ms. Maria Hinke to the Board and stated she has requested to use the Operations Center for a weekly class during June and July. Ms. Hinke stated her classes are family style classes and the parents stay with their children for the duration of the event. Ms. Hinke then stated each class is one (1) hour and free of charge to anyone that would like to attend. Ms. Hinke requested the use of the Operations Center free of charge since the classes would be a benefit to District residents. Ms. Hinke noted she has a waiver each family must sign in order to participate. Mr. Polley stated he would review and provide comments on the waiver if Ms. Hinke would send him a copy. Mr. Polley then explained that legally, there is no issue with the District allowing Ms. Hinke to use the Operations Center at no charge as long as she is not charging for the classes and anyone from the public is allowed to attend. Mr. Polley further stated if the Board approves the request, Ms. Hinke can work out any additional details with Mr. Schkade. Upon motion by Director Crayton, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Ms. Hinke to use the Operations Center one (1) day per week in June and July free of charge provided that there is no charge and anyone from the public can attend.

Mr. Schkade then stated he has a proposal from 356 Consulting, in the amount of \$55,380.25, for additional audio/visual equipment in order to make the meeting room system function properly. Mr. Schkade stated he received three (3) proposals for the project and 356 Consulting is the lowest price. 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 proposal from 356 Consulting, in the amount of \$55,380.25, for additional audio/visual equipment.

Mr. Schkade recommended giving Director Pack authority to sign checks from the District's Operations Center/Park account so deposit refund checks can be signed in Mr. Schkade's absence. Mr. Polley stated he has prepared a Resolution Authorizing Board President and General Manager to Sign Approved Disbursements (the "Resolution"). 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.

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.

ENGINEERING REPORT

Mr. Schilhab reviewed the feasibility study for the Spring BTR Reserve B development, a copy of which is attached hereto. Mr. Schilhab stated the development is a proposed 290 unit multifamily development on a 9.24-acre tract, comprised of two (2) four (4) story buildings. Mr. Schilhab then stated a sanitary sewer extension will be required to serve the tract. Mr. Schilhab also stated if the Board approves the feasibility study, he recommends moving forward with an Alternative Capacity Requirement ("ACR") request to the Texas Commission on Environmental Quality ("TCEQ") since the development would put the District close to 10,000 connections. Discussion regarding the ACR and the District's capacity limits ensued and the Board concurred to table the matter.

Mr. Schilhab then reviewed the feasibility study for the Kreinhop Office Warehouse development, a copy of which is attached hereto. Mr. Schilhab stated the development is a proposed office warehouse on a 2.08-acre tract. Mr. Schilhab further stated the tract is currently being served by private sanitary sewer lines and a private sanitary sewer lift station and no utility extensions are necessary. 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 feasibility study for the Kreinhop Office Warehouse development.

Mr. Schilhab next presented a change order for the WWTP No. 2 project, in the amount of \$5,271.95 to relocate an electrical panel board from inside the chemical building to outside the chemical building and to relocate the breathing apparatus box. 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 change order in the amount of \$5,271.95 to relocate an electrical panel board from inside the chemical building to outside the chemical building and to relocate the breathing apparatus box.

Mr. Schilhab then reported the contractor for the Trinity Grove development is close to starting construction of the underground utilities for the site. Mr. Schilhab recommended the District have a supervisor onsite approximately 10 hours per week to ensure the facilities are being built according to the approved plans. Director Crayton asked that whatever the supervisor notes, he provides to Mr. Staab for review. 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 authorize a construction supervisor for approximately 10 hours per week at the Trinity Grove development.

Mr. Schilhab went on to report he received updated plans from Trinity Grove last week, and the updated copy includes an amended water line alignment that wraps around a cul-de-sac in between two (2) lots. Mr. Schilhab stated the City of Houston is requiring the alignment as well as an all weather access road over the water line. Mr. Schilhab then stated the question has been raised on who will be responsible for maintenance of the access road. Mr. Polley recommended that the District be responsible for maintenance of the access road but allow the Trinity Grove HOA to landscape the area. Mr. Polley requested authorization to prepare a maintenance agreement between the District and the Trinity Grove HOA outlining the terms. 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 authorize PG to prepare a maintenance agreement between the District and the Trinity Grove HOA regarding maintenance of the access road.

Mr. Schilhab then requested authorization to proceed with design of the water model and ACR to submit to the TCEQ. 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 authorize preparation of the water model and ACR.

Mr. Schilhab next reported the HTeaO development has requested an encroachment agreement to allow for pavement, landscaping, irrigation, monument sign and a light pole in the District's easements. 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 authorize preparation of an encroachment agreement between the District and HTeaO.

RESOLUTION ADOPTING RULES FOR ACCEPTANCE OF ELECTRONIC BIDS

Mr. Polley explained state law allows the District to accept bids for projects electronically as long as the Board has adopted a Resolution Adopting Rules for Acceptance of Electronic Bids that properly outlines the rules. 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 adopt the Resolution Adopting Rules for Acceptance of Electronic Bids.

DIRECTOR'S REPORT

Director Crayton reviewed his inspection report with the Board.

Director Pack stated he spoke with Director Marks about possibly changing the Director's inspections to every other month or quarterly instead of every month. Director Crayton stated he would like to have the Director's inspections every month but he would be fine with every other month as well. Director Crayton asked if another Director can do the inspection if the designated Director cannot do the inspection in a certain month. Director Pack stated if a Director has a scheduling conflict, then another Director can do the inspection for that month. The Board concurred to keep the monthly Director's inspection schedule.

PARK MANAGER'S REPORT

Ms. Bertram reviewed the Park Manager's Report with the Board and reported on various park related items.

Mr. Polley suggested appointing a committee to work with Ms. Bertram and Mr. Schkade when park rule changes are needed to allow for the changes to be made in a timely manner instead of waiting for a Board meeting each month. 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 delegate authority to implement park rule changes to a subcommittee of the Board President, the Director serving as Park Liaison, Mr. Schkade and Ms. Bertram.

Director Woollard reported she has been working with Ms. Bertram on obtaining proposals for two (2) water wells to replenish the park pond in case of drought. Director Woollard stated she hopes to have the proposals by the next Board meeting and expects the cost to be approximately \$50,000.00 to \$60,000.00 per well. Mr. Polley stated if the total cost exceeds \$150,000.00, the project will need to be publicly advertised. Mr. Polley then stated he would like to further discuss the project with Director Woollard to clarify the specifics.

The Board then discussed a ribbon cutting ceremony for the park. 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 hold a ribbon cutting ceremony with a photographer prior to the Board meeting on May 20th.

The Board then discussed the status of the Bridgestone Greenways Conservancy ("BGC") non-profit organization. Director Park asked Director Crayton to prepare a proposal of what the BGC can do to benefit the park.

Ms. Bertram next reported she has a need for 10-15 park volunteers and would like to develop a volunteer training program. Discussion ensued regarding the park volunteer program and the Board concurred to allow Ms. Bertram to move forward with the program.

Ms. Bertram then requested approval to install barriers around the park landscaping to keep the landscaping from being trampled. Ms. Bertram stated the cost for the barriers and replacement of certain plants is approximately \$40,000.00, and the work would be done by the District's existing landscape provider. Mr. Polley noted the cost would typically require the District to obtain three (3) proposals, but the existing relationship with the landscaper and the current one (1) year warranty on the landscaping makes it acceptable to move forward with the project without a public procurement. Upon motion by Director Pack, seconded by Director Gebhart, after full discussion and the question being put to the Board, the Board voted unanimously to approve the landscape barriers and new plants.

Discussion ensued regarding holiday closures of the park and the Board concurred to close the park on Thanksgiving day and Christmas day.

RATE ORDER AMENDMENTS REGARDING HOMEOWNERS ASSOCIATION TAP FEES AND LEAK ADJUSTMENTS

Mr. Polley stated the District's Rate Order has been revised to provide that homeowners associations will pay the District's cost for tap fees and to give WDM limited authorization to grant leak adjustments. Upon motion by Director Crayton, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the amended Rate Order.

SECURITY FEE, INCLUDING POSSIBLE EXECUTIVE SESSION

Mr. Polley stated this item would be discussed during executive session.

WATER AND SEWER RATE STUDY

Director Pack requested that Quiddity prepare a water and sewer rate analysis to determine if the District needs to make any water and sewer rate adjustments in the future. Mr. Schilhab stated he can have the rate study prepared in the next 90 days. Director Crayton asked that the Board receive a copy of the final rate study prior to the Board meeting it will be presented at so it can be properly reviewed. Mr. Schilhab recommended two (2) Directors work with him on how best to structure the rate options that will be presented to the Board. Upon motion by Director Gebhart, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted three (3) votes in favor, with Director Crayton abstaining, to authorize Quiddity to prepare a water and sewer rate analysis and work with Directors Gebhart and Crayton as a subcommittee.

ATTORNEY'S REPORT

Mr. Polley reviewed a memorandum regarding Director attendance at Board meetings via videoconference. Mr. Polley then reviewed a memorandum regarding various proposed legislation from the current legislative session.

Mr. Polley next stated the removal of a Director pursuant to Texas Water Code Section 49.052(g) and the Cadence Creek Cottages Consent to Encroachment and easements would be discussed during executive session due to attorney-client privileged matters.

EXECUTIVE SESSION

Director Pack convened the Board in executive session at 8:41 p.m., pursuant to Section 551.071, Texas Government Code, regarding matters of attorney-client privilege relating to the Spring BTR feasibility study, the Cadence Creek Cottages Consent to Encroachment and easement, the appeal to TCEQ of Resolution Removing Director and vendors operating in the Park. Directors Pack, Woollard, Crayton and Gebhart, Mr. Schkade, Mr. Polley and Ms. Miller attended the executive session.

RECONVENE IN OPEN SESSION

Director Pack then reconvened the meeting in open session at 9:13 p.m., at which time Director Crayton made a motion, seconded by Director Woollard, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Consent to Encroachment Agreement, Water Meter Easement and Access Easement for the Cottages at Cadence Creek.

PUBLIC COMMENT

Ms. Tomi Sue Burgess addressed the Board regarding permits required for gatherings at the District park.

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

PASSED, APPROVED AND ADOPTED this 20th day of May 2025.



Asst.

Secretary, Board of Directors