

BRIDGESTONE MUNICIPAL UTILITY DISTRICT

c/o Radcliffe Bobbitt Adams Polley PLLC

2929 Allen Parkway, Suite 3450

Houston, Texas 77019

Dear Bridgestone MUD Customer:

This letter is to advise you that beginning in April you will see a change in your monthly invoices from Bridgestone MUD because the NHCRWA is increasing the fees it charges to Bridgestone MUD (and other area districts) for groundwater pumped and surface water received by Bridgestone MUD.

Effective April 1, 2018, the NHCRWA's "rack rates" increased by \$0.50 per 1,000 gallons, resulting in a \$3.40 groundwater pumpage fee and a \$3.85 surface water fee per 1,000 gallons. However, the rate Bridgestone MUD pays to the NHCRWA reflects credits we receive as the result of prior negotiations with the NHCRWA regarding infrastructure needed by both Bridgestone MUD and the NHCRWA. Some of these credits are exclusive to Bridgestone MUD.

Based on the rates charged by the NHCRWA to Bridgestone MUD and the credits Bridgestone MUD receives, Bridgestone MUD must increase its "NHCRWA Fee" from \$3.10 per 1,000 gallons to \$3.65 per 1,000 gallons (a \$0.55 increase) in order to cover the full amount due to the NHCRWA each month. Bridgestone MUD does not increase or receive any additional revenue from the NHCRWA Fee it charges.

If you would like additional information about Bridgestone MUD or the NHCRWA, please see their websites at www.bridgestonemud.com and www.nhcrwa.org, respectively. Both of these sites contain a wealth of information. Bridgestone MUD's website contains information regarding normal everyday operations, contacts for the district, trash pickup schedules, while the NHCRWA's website has a great deal of information on present and future regional water needs and, of course, water conservation.

In closing, we would like to invite all residents to attend our monthly Board meetings and, if you would like, address the Board during public comments on these or other issues related to Bridgestone MUD. We meet in the boundaries of Bridgestone MUD on the third (3rd) Tuesday of each month at 6 p.m. at the Jerry Thomas Center (4403 Lost Lake Lane in the Bridgestone subdivision).

Regards,

Board of Directors
Bridgestone MUD