

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

August 22, 2017

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 special session, open to the public, at the Jerry Thomas Center, 4403 Lost Lake Lane, Spring, Texas, its regular meeting place within the boundaries of the District, on Tuesday, August 22, 2017, at 6:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Jim Marks	President
Adrian E. Steffes	Vice President
John "Skip" W. Warren	Secretary
Ronald W. Schkade	Assistant Secretary
Mikuel K. Draper	Director

All members of the Board were present, except Director Schkade, thus constituting a quorum. Director Schkade monitored the meeting by conference call. Also attending the meeting were: Messrs. Josh Lee, P.E. and Drew Crow, P.E., and Ms. Sherry Grant, P.E., of Jones & Carter, Inc. ("JCI"), engineers for the District; Mr. Danny Staab of Water District Management Company, Inc. ("WDM"), operators for the District; Mr. Ricardo Martinez, of Martinez Architects, LP; Mr. Brad Dill of BD Realty Advisors, L.L.C.; and Mr. Jonathan D. Polley, attorney, and Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC ("RBAP"), attorneys for the District.

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.

DISCUSS PROPOSED DISTRICT ADMINISTRATION BUILDING, INCLUDING REAL ESTATE ACQUISITION AND DUE DILIGENCE ITEMS, BUILDING DESIGN AND SITE DEVELOPMENT, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Dill reviewed with the Board a due diligence memorandum for the purchase of the 4.39-acre tract located at Kuykendahl Road and Bridgeview Lane (the "4.39-Acre Tract") that is currently under contract by the District, a copy of which is attached hereto. Mr. Dill recommended that the Board authorize Phase II of the environmental and wetlands testing, which will include soil and water testing, at a cost of \$5,260. Upon motion by Director Warren, seconded by Director Draper, after full discussion and the question being put to the Board, the

Board voted unanimously to authorize Phase II of the environmental and wetlands testing, at a cost of \$5,260.

Mr. Lee then reviewed the preliminary civil site and drainage analysis for the 4.39-Acre Tract, a copy of which is attached hereto. Mr. Lee explained that JCI looked at two (2) options for gravity detention options. Mr. Lee reported that the first option for drainage would be a four (4) to five (5) foot deep detention pond that would allow access to the 4.39-Acre Tract from Bridgeview Lane and allow for future development along Bridgeview Lane. Mr. Lee next reported that the second option for drainage would allow for future development along Kuykendahl Road, but would not allow for driveway access from Bridgeview Lane. Director Steffes asked that JCI look into any existing District drainage capacity that could be used for the 4.39-Acre Tract. Mr. Lee stated that JCI would research any existing District drainage capacity.

Mr. Martinez next reported that he had obtained one (1) proposal for geotechnical services, in the amount of \$4,100, but that he was waiting on at least one (1) additional proposal. Mr. Martinez reminded the Board that they had previously authorized Mr. Dill to order the geotechnical testing, at a cost not to exceed \$5,000. Mr. Martinez stated that he would work with Mr. Dill to order the geotechnical testing once the additional proposal has been received.

Mr. Polley then asked if the Board was interested in hearing about additional drainage options. Director Steffes asked if the District could qualify for any grants from the Texas Water Development Board ("TWDB") for incorporating a reuse or rain harvesting project into the detention for the 4.39-Acre Tract. Mr. Polley stated that there are subsidized interest loans available from the TWDB for conservation and reuse projects. Mr. Polley further stated that he could contact Mr. Scott Galloway with the TWDB regarding the District's options for funding. Director Steffes recommended inviting Mr. Galloway to the next special meeting. Mr. Polley stated that he would contact Mr. Galloway and invite him to the next special meeting to discuss TWDB funding options for reuse projects.

REVIEW AND APPROVE AGREEMENT REGARDING CONSENT TO CONVEYANCE OF 0.139-ACRE ACCESS EASEMENT OVER DISTRICT'S EXISTING ACCESS EASEMENT TO ELEVATED STORAGE TANK SITE, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Polley reported that he spoke with the purchaser of the 12.45-acre tract located at Kuykendahl Road and Gosling Road regarding the District's terms for consenting to conveyance of the 0.139-acre access easement over the District's existing access easement to the Elevated Storage Tank site. Mr. Polley reminded the Board that they previously requested that the purchaser take over maintenance of the road, allow the Board to review and approve plans for construction within the easement and pay a share of the District's cost to build the existing road. Mr. Polley stated that the purchaser has agreed to all of the terms, including payment of \$47,000 to the District for a pro-rata share of the construction costs. Mr. Polley further stated that RBAP is in the process of preparing the agreement that will grant consent to conveyance of the easement.

REVIEW AND DISCUSS RESULTS OF WASTEWATER TREATMENT PLANT INFLUENT LOADING SAMPLING, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Crow reviewed a PowerPoint presentation with the Board regarding influent loadings at the Wastewater Treatment Plant ("WWTP"), a copy of which is attached hereto. Mr. Crow gave an overview of the history of the WWTP and reviewed past influent loading history and trends. Mr. Crow next reviewed the results from the composite sampling that occurred between August 2, 2016 and June 5, 2017. Mr. Crow explained that the BOD₅ concentration has not spiked this year as in previous years, but that the TSS concentration is still spiking with very regular cycles of rapid increase. Mr. Crow stated that JCI and WDM cannot identify the cause of the TSS level spikes. Mr. Crow recommended that the Board authorize JCI and WDM to continue sampling 3 times per week at the lift stations. Director Steffes stated that he thinks the residential areas should be sampled to see if they are the cause of the spikes in TSS levels. Mr. Crow then stated that JCI and WDM can work together to prepare a sampling plan for various scenarios of sampling along with the costs associated with each option. Mr. Crow also stated that they can look into checking the main combining manholes for any influent that does not flow through a lift station. Upon motion by Director Steffes, seconded by Director Draper, after full discussion and the question being put to the Board, the Board voted unanimously to authorize JCI and WDM to prepare a sampling plan and estimated costs of various testing frequencies, as well as testing of the entire District.

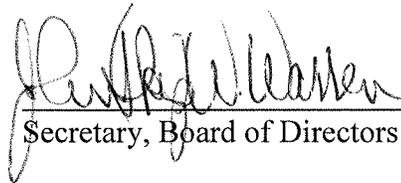
AUTHORIZE ATTENDANCE AT MCCALL GIBSON SWEDLUND BARFOOT ("MGSB") PUBLIC FUNDS INVESTMENT ACT ("PFIA") SEMINAR ON SATURDAY, OCTOBER 21, 2017

Upon motion by Director Warren, seconded by Director Draper, after full discussion and the question being put to the Board, the Board voted unanimously to authorize attendance at the MGSB PFIA Seminar on Saturday, October 21, 2017.

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

PASSED, APPROVED AND ADOPTED this 19th day of September, 2017.




Secretary, Board of Directors