

NO. 2003-18

MINUTES OF MEETING
OF
BOARD OF DIRECTORS
October 21, 2003

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 Bridgestone Community Center, 4403 Lost Lake Lane, Spring, Texas, its regular meeting place within the boundaries of the District, on Tuesday, October 21, 2003, at 6:00 p.m.; whereupon, the roll was called of the members of the Board, to-wit:

Adrian E. Steffes	-	President/Investment Officer
Brad Dill	-	Vice President
Robert J. Joyce	-	Secretary
Jim Marks	-	Assistant Secretary
Skip Warren	-	Treasurer

All members of the Board were present, thus constituting a quorum. Also attending the meeting were Mr. Gene Conner, General Manager of the District; Ms. Pat Hall of Equi-Tax, Inc., tax assessor/collector for the District; Ms. Mary Jarmon of Myrtle Cruz, Inc., bookkeeper for the District; Messrs. Ed Shackelford, P.E. and Erich Peterson of Jones & Carter, Inc. ("Jones & Carter"), engineers for the District; Ms. Karen Sears and Mr. Joe Almaguer of Aqua Services, LP ("Aqua Services"), operators for the District; Mr. Robert Hudson of Texas Investment & Development Company, developer of the Bridgestone Lakes and Gosling Pines subdivisions within the District and developer of the proposed Bridgestone Estates tract to be annexed into the District; Mr. David Harrison of Sowell & Co. ("Sowell"), developer of the Rhodes Landing subdivision within the District; Mr. Ron Walkoviak of Development Consultants Inc., development manager of the Spring Terrace subdivision within the District; Mr. Nick Ozuna, Jr., P.E., Project Manager - Land for MHI Partnership, Ltd., developer/homebuilder in the Spring Terrace subdivision within the District; Mr. Jim Ridgway, P.E. of NewQuest Properties ("NewQuest"), developers of the Walgreens (located at Kuykendahl and Spring-Cypress) and Wal-Mart commercial developments within the District; Mr. Bryan Kennedy of Jones & Carter, representing KB Home ("KB"), developer of the Springbrook subdivision within the District; Mr. Gary Palmer, resident of the District; and Ms. Robin S. Bobbitt, attorney, and Ms. Brooke T. Dold, paralegal, of Johnson Radcliffe Petrov & Bobbitt PLLC, attorneys for the District. A copy of the sign-in sheet for those in attendance at the meeting is attached 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.

CONSENT AGENDA

Director Steffes then reviewed with the Board the items reflected on the Consent Agenda. Director Steffes 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 or a member of the public requests that an item be moved to the regular portion of the agenda.

Director Steffes stated that Consent Agenda item no. 10 regarding the adoption of an Order Adding Land would be deferred and noted that the minutes of the special meeting of September 4, 2003 were not included in the meeting packet and will also be deferred. Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to: 1) approve the minutes of the regular meeting of September 16, 2003; 2) authorize the advertising for bids for: a) the off-site sanitary sewer and water lines to serve the 15-acre Stimac Enterprises, Inc. tract; b) water, sanitary sewer and drainage facilities for Spring Terrace, Section 2; and c) clearing and grubbing for the Bella Sera development; 3) review bid tabulations and award contracts for construction of: a) the detention basin to serve Spring Terrace to Cedar Ridge Excavation, Ltd. in the amount of \$1,062,455.66; and b) the stormwater pump station to serve Spring Terrace to Liftwater Construction in the amount of \$519,087.00; 4) review and approve pay estimates and change orders as follows: a) Pay Estimate No. 6 for Springbrook, Section 2 utilities; b) Pay Estimate No. 6 for NewQuest off-site utilities; c) Pay Estimate No. 2 for clearing and grubbing of Spring Terrace subdivision; d) Pay Estimate No. 6 for clearing and grubbing of Gosling Pines subdivision; 5) ratify the authorization to advertise for bids for utilities to serve Springbrook, Section 3; 6) approve the Developers' Reports; 7) adopt Order Regarding Annual Review of Rules, Policies and Code of Ethics for the Investment of Funds, a copy of which is attached hereto; 8) adopt Resolution Approving Purchase of Office Building by Harris County Appraisal District, a copy of which is attached hereto; and 9) approve and authorize the execution of a detention pond maintenance letter to Harris County (the "County") for the Springbrook subdivision.

REGULAR AGENDA

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Hall then presented the Tax Assessor/Collector's Report for the month of September, a copy of which is attached hereto. Ms. Hall reported that 98.8% of the District's 2002 taxes had been collected to date.

Ms. Hall then reviewed the Delinquent Tax Attorney's Report with the Board, a copy of which is attached hereto. Ms. Hall noted that in Section I of the Delinquent Tax Attorney's Report, all of the accounts had been paid in full. Ms. Hall then explained that in Section II of the Delinquent Tax Attorney's Report, there were five (5) accounts that contacted the Delinquent Tax Attorney after their property had been tagged for termination of service to arrange for installment payment agreements. Ms. Hall noted that the second (2nd) and fifth (5th) accounts

listed had each agreed to make full payment on October 17, 2003 but that no payments had been received to date. Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to approve the requests for installment payment agreements to pay the delinquent taxes in two (2) installment payments in November and December for the property owners of 5622 Roserock Lane, 21210 Verdecove Lane and 21723 Slippery Creek Lane and to extend the payment deadline until October 31, 2003 for the property owners of 19707 Brentonridge Lane and 21011 Rivershadows Lane.

Concerning Section III of the Delinquent Tax Attorney's Report, Ms. Hall reported that service had been terminated to both accounts and reported that the property owner of 21606 Crescent Heights has requested a five (5) month installment payment agreement to pay \$250 per month on the delinquent tax account. Ms. Hall noted that the property owner of 4319 Piney Creek Lane had not responded since service was terminated to the property. Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board the Board voted unanimously to approve a five (5) month installment payment agreement for the account at 21606 Crescent Heights with the condition that service to the property not be restored until the first installment payment on the account is made. The Board noted that service will remain disconnected at 4319 Piney Creek Lane. Director Warren asked Aqua Services to check whether service was still terminated at such property.

The Board then reviewed Section IV of the Delinquent Tax Attorney's Report regarding the status of installment payment plans. Ms. Hall noted that as reflected on the Report, several property owners had not made their required installment payments. Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to tag the properties at 19622 Plymouth Ridge Lane, 4302 Piney Creek Lane and 5211 Pimberton Lane for termination of service, and to take no action at this time on the properties at 4535 Tangle Creek Lane, 21423 Slippery Creek Lane and 5506 Rivertree Lane.

Mr. Harrison then entered the meeting.

Concerning Section V of the Delinquent Tax Attorney's Report, Director Warren asked Aqua Services to verify if service is still terminated at 21726 Crescent Heights and 4606 Temple Bell Drive.

Upon motion by Director Dill, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Tax Assessor/Collector's Report, to authorize payment of the checks reflected therein and to approve the Delinquent Tax Attorney's Report.

DIRECTOR'S REPORT

Director Warren reported that he and Mr. Almaguer conducted an inspection of the facilities on October 9, 2003. Director Warren stated that all of the District's plant sites were found to be in the best shape he had ever seen. Director Warren noted that the signage at each plant site needed to be updated to include Aqua Services' emergency phone numbers. Director Steffes stated that the address of each facility also needs to be on the sign, and that the print used

on the signs needs to be larger in order for it to be read from the street. Director Warren noted that the District's Water Smart signs have faded and recommended replacing them. Ms. Bobbitt stated that Aqua Services will need to contact the Association of Water Board Directors - Texas (the "AWBD") office regarding the purchase of new signs. Ms. Sears stated she will contact the AWBD concerning such matter. Upon motion by Director Joyce, seconded by Director Dill, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Director's Report.

OPERATOR'S REPORT

Ms. Sears then reviewed the Operator's Report for the month of September with the Board, including the delinquent account list, copies of which are attached hereto. Ms. Sears reported that the water accountability ratio for the month was 91.5%, with a four (4) month average of 92.4%, and that there were eight (8) sludge hauls during the month. Ms. Sears added that there are currently 2,593 connections in the District, including 208 builder accounts and 31 vacancies. Ms. Sears noted that there had been no excursions at the Sewage Treatment Plant (the "STP") during the prior month. Upon motion by Director Dill, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Operator's Report and to authorize the termination of service to the delinquent accounts.

BOOKKEEPER'S REPORT

Ms. Jarmon next reviewed the Bookkeeper's Report with the Board, including the revenues and expenses of the District, the budget comparison, investment report and the checks being presented for payment, a copy of which is attached hereto. Ms. Jarmon noted that check no. 6796, in the amount of \$3,872, to KB, was a reimbursement of an overpayment on the Kuykendahl trunk utility/lift station project. The Board directed Ms. Jarmon to hold the refund check until KB pays their outstanding invoice for construction management services.

Ms. Jarmon then reported that she had prepared and mailed out invoices to the developers for construction management services in October and noted that the developers with developments already under construction have been given the opportunity to submit a deposit for construction management services if they would prefer that procedure to receiving monthly invoices from the District. Ms. Jarmon further reported that she will track the construction management services expenses on a monthly basis and bill each developer accordingly.

Ms. Jarmon next noted that she will begin work on the proposed budget for the District's fiscal year ending December 31, 2004 and will distribute the draft to the Board members and consultants prior to the Board's November meeting.

Upon motion by Director Joyce, seconded by Director Dill, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and the payment of the checks reflected therein.

Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to adopt and implement a policy wherein the bookkeeper is to hold any reimbursement checks to a developer until all outstanding

backcharges, deposits and/or construction management service invoices are paid in full by the respective developer.

Director Warren then inquired if Myrtle Cruz, Inc. was going to increase its bookkeeping fees in light of the development activity in the District. Ms. Jarmon stated that she would be submitting a new bookkeeping services contract at the November meeting.

UPDATE REGARDING INSURANCE COVERAGES

Mr. Conner then reviewed the status of the District's insurance coverages. Mr. Conner explained that following the September meeting, the District was informed by Anco-Wessendorff Insurance ("Anco") that they would not be willing to split the insurance coverages between Anco and AquaSurance. Mr. Conner stated that in his absence, Ms. Dold had notified Director Steffes and Director Marks of Anco's position and that Anco as a result, was the only insurance proposal that included complete coverages for the District and that Director Steffes had authorized Ms. Dold to arrange for the District's insurance to be placed with Anco prior to the expiration date of the existing policies on September 30, 2003.

Director Marks then entered the meeting at 6:40 p.m.

Director Warren inquired if there were a limited number of companies that are able to provide insurance coverages to utility districts in Texas. Ms. Bobbitt responded that currently, Anco and the Texas Municipal League, a risk pool that is not regulated by the State, are the only entities able to offer full insurance coverages to utility districts.

Director Warren asked what the District's insurance premiums had been for the last three (3) years. After reviewing her file, Ms. Jarmon stated that the insurance premium totals were \$16,000 in 2001, \$31,175 in 2002 and \$31,000 proposed for 2003. It was noted that the 2003 policy included the addition of Water Well No. 4 and Lift Station Nos. 4 and 5.

Ms. Hall then exited the meeting at 6:45 p.m.

ENGINEER'S REPORT

The Board next recognized Mr. Peterson, who reviewed the Engineer's Report with the Board, a copy of which is attached hereto. Mr. Peterson also briefly reviewed the various Consent Agenda items related to the Engineer's Report.

Mr. Peterson next briefly reviewed the list of Construction Plan Reviews currently in progress, a copy of which is attached to the Engineer's Report.

Mr. Peterson then reviewed the status of the ongoing construction projects in the District. Mr. Peterson stated that the construction of Lift Station No. 5 is complete and that the contractor is nearly finished with all of the punch list items on such project.

Concerning the Wal-Mart utilities, Mr. Peterson reported that NewQuest is in the process of getting the plans for construction of the water, sanitary sewer, storm sewer and detention basin

re-approved by the City of Houston (the "COH") as public utilities, as previously discussed with the Board.

Mr. Peterson next reported that the District's seventh (7th) bond application report had been filed with the Texas Commission on Environmental Quality (the "TCEQ") on October 16, 2003 for expedited review.

Mr. Peterson then reported that he and Mr. Shackelford had recently met with Ms. Bobbitt, Mr. Conner and representatives of Sowell and RG Miller Engineers, Inc. ("RG Miller"), engineers for Sowell, to discuss issues relating to the Rhodes Landing detention pond. Mr. Peterson noted that RG Miller will have the plans for the detention basin re-signed by the COH and the County as public facilities.

Concerning the bids taken for the Water Well No. 1 rework project, Mr. Peterson presented the bid tabulation for the Board's review, a copy of which is attached hereto. Mr. Peterson reported that two (2) bids were received for the project on October 7, 2003, including a base bid from Weisinger Water Well, Inc. ("Weisinger") in the amount of \$79,500, and a base bid from Alsay Incorporated in the amount of \$85,890. Mr. Peterson explained that upon review of the bids, Jones & Carter found that Weisinger's bid had included a 9.25-inch pump that was not consistent with the 8-inch pump that is currently on the well. Mr. Peterson stated that Jones & Carter recommends the use of an 8-inch pump and had requested a price for an 8-inch pump from Weisinger. Mr. Peterson stated that Weisinger submitted a price of \$4,500 for the 8-inch pump, which would result in an adjusted base bid amount of \$84,000. Mr. Peterson stated that with the adjustment, the Weisinger bid is still the lowest of the two (2) bids received. Mr. Peterson added that Jones & Carter recommends that the Board award the construction contract to Weisinger. Further discussion of the matter then ensued. Director Marks inquired why a smaller pump would cost more than the larger pump. Mr. Conner explained that a smaller pump requires more stages of piping than a larger pump and added that the smaller pump may not be a shelf item and, therefore, not readily available. Mr. Conner noted that there appears to have been no intent to mislead the District by either of the bidders and stated that it was a common practice to use slightly different specifications when bidding on a project. Upon motion by Director Dill, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to award the construction contract to Weisinger for the rework of Water Well No. 1. Director Steffes asked that in the future, Jones & Carter include in the specifications the requirement that the contractor match the existing equipment unless indicated otherwise in the specifications.

Mr. Shackelford then reported on the status of the updated feasibility study for the 205-acres under contract by H.H. Estates, LP. Mr. Shackelford noted that the tract wraps around the Wal-Mart tract and stated that the feasibility study was still in draft form and suggested that the Board discuss the feasibility report in detail at a special meeting. Mr. Shackelford briefly noted several issues that need to be reviewed in connection with the development, including, but not limited to, drainage issues. Mr. Conner stated that he would like to schedule the special meeting on Thursday, October 30, 2003. Director Dill noted that he could not attend a meeting on that date. Mr. Conner stated that he would contact each of the Board members to determine whether October 28th or October 30th would work best for the special meeting.

Mr. Peterson then reviewed the revised feasibility study for the Bella Sera 50-acre tract. Mr. Peterson explained that such development is proposed to include 173 single-family homes and 12 acres of commercial development and will be developed by D.R. Horton. A copy of the feasibility study is attached hereto. Mr. Peterson stated that the estimated assessed value of the developed tract is \$33,820,000 and that the development would support itself at a 90% developer reimbursement rate.

Mr. Peterson next presented a feasibility study of the proposed 10-acre commercial development at the northwest corner of FM 2920 and Rhodes Road prepared for A-K Texas Venture Capital, a copy of which is attached hereto. Mr. Peterson reported that the project had been put on hold and that the annexation request had been withdrawn.

Concerning the North Harris County Regional Water Authority (the "NHCRWA"), Mr. Peterson reported that Jones & Carter had reviewed the Regulations for Buy/Sell Agreements for Implementation of the Groundwater Transfer Project and have no comments on such Regulations. Mr. Peterson explained that the District is now being asked to commit to the NHCRWA concerning its intent to buy water from or sell water to the NHCRWA and recommended that the District proceed with entering into a Seller Agreement with the NHCRWA. Mr. Shackelford added that Bilma Public Utility District ("Bilma") has executed a Buyer Agreement with the NHCRWA and noted that the NHCRWA is planning a large diameter water line in the vicinity of Spring-Cypress Road and Kuykendahl Road by 2005, which would allow the District to obtain water from the NHCRWA and construct a ground storage tank and pumps rather than drill Water Well No. 5. Director Dill asked about the status of the proposed water interconnect with Bilma. Mr. Shackelford responded that the District still has an Interconnect Agreement in place with Bilma and stated that he needs to discuss the interconnect line in more detail with Mr. Conner. Director Dill asked why the NHCRWA would not be responsible for constructing the interconnect line. Mr. Shackelford stated that he would discuss the matter with the NHCRWA engineers.

Director Steffes then reported that he had recently received an e-mail concerning hydrogen powered generators that are being manufactured in Houston. Director Steffes also inquired if the District could look into purchasing power from the State of Texas through a cooperative program he understands is in place. Ms. Bobbitt stated that she would obtain some information about such program.

Upon motion by Director Joyce, seconded by Director Dill, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report and to authorize Jones & Carter and Ms. Bobbitt to negotiate a Seller Agreement with the NHCRWA.

GENERAL MANAGER'S REPORT

Mr. Conner then reviewed the General Manager's Report, a copy of which is attached hereto. Mr. Conner reported that Cathco, Inc. ("Cathco") has completed 100% of the repairs to the District's fire hydrants and that Cathco is proposing costs of \$2,350 for the installation of identification reflectors and \$2,826 for the painting of the fire hydrants. Director Warren expressed concern about the fire hydrant inspections conducted by Cathco and noted that many

of the fire hydrants are at different heights and have rusted bolts. Mr. Conner stated that Cathco would not be responsible for the raising of the fire hydrants, but would replace any bolts that are missing or rusted. Mr. Conner added that he concurred with Ms. Bobbitt's earlier recommendation that the District not use a civic group or school to paint the fire hydrants. Director Warren reported that he had walked all of the streets in the District and prepared a list of the fire hydrants and water, sewer, and storm sewer items that require attention and submitted such list to Aqua Services. Upon motion by Director Joyce, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to authorize Cathco to install the reflectors and paint the fire hydrants in the District.

Mr. Conner next reported that there had recently been some confusion regarding the set of plans being used in the field for the Wal-Mart project. Mr. Shackelford noted that he had received revised plans from NewQuest late this afternoon. Director Steffes stated that the District needs to put NewQuest on notice that they will jeopardize their reimbursement if they continue to disregard the proper procedures for development in the District. Mr. Conner stated that he and Mr. Shackelford have met with NewQuest and that he is trying to maintain good communications with them. Mr. Conner also noted that he, Mr. Shackelford and Ms. Bobbitt are very close to finalizing the District's Rules and Regulations for Development (the "Rules and Regulations"). Mr. Conner stated that he would like to further address the Rules and Regulations at the special October meeting. Director Marks commented that it sets a bad example to the other developers when they see that the District always reimburses the developers regardless of their failure to comply with the proper development procedures. Mr. Conner explained that this is the reason it is important to finalize the Rules and Regulations. A discussion ensued concerning the effect of repeated violations of the District's development procedures and the impact on the ability of a developer to obtain reimbursement from the District. Mr. Shackelford also noted that pursuant to the TCEQ's rules, if a developer's change in construction plans causes a change order to a contract, the change order must be submitted to the Board for approval and the Board is not obligated to approve such change order if the correct procedure has not been followed. Director Steffes requested that such requirement be reiterated with NewQuest.

Mr. Conner then reported on the street flooding problems within the District on October 9, 2003. Mr. Conner reported that the area most affected was the area around the intersection of N. Tanglecreek and Shalom Creek. Mr. Conner stated that complaints were received from the residents of 21630 and 21718 N. Tanglecreek, who expressed concern that the ditch behind their properties has interrupted the stormwater discharge from their backyards and that the ditch contractor had left soil piled up against their fences. Mr. Conner reported that the drainage ditch contractor was contacted and on October 13, 2003, drainage swales were installed at each location and soil removed from up against the fences. Pictures of the drainage swales are attached to the General Manager's Report. Mr. Conner went on to explain that the street flooding on N. Tanglecreek and Shalom Creek was caused by water backing up from downstream of Shalom Creek and that Klein Independent School District ("KISD") is the major contributor of stormwater in this area. Mr. Conner added that a meeting has been scheduled next Tuesday, October 28th, with AEI Engineering Inc., engineers for KISD, and Mr. Gary Butler of KISD regarding the KISD drainage ditch and that he will report to the Board on the outcome of the meeting at the special Board meeting. Mr. Hudson noted that the KISD drainage ditch is two (2) to three (3) feet higher than the District's drainage ditch, and this factor likely caused the water to back up during the heavy rains on October 9th. Director Dill commented that the problem is that

KISD only did enough drainage work to handle its property and now the District's flooding problem that was occurring near Rhodes Landing has moved to the Shalom Creek area. Director Marks then inquired if cleaning out the drainage ditch would resolve the problem. Mr. Hudson noted that he and Mr. Shackelford have all of the topographic information concerning the drainage in the area. Director Dill stated that the matter needs to be looked at and a determination made as to how much of the drainage ditch would need to be cleaned out to alleviate the flooding problem. Mr. Conner stated that he hopes there is a cooperative effort between the District and KISD to remedy the problem.

Mr. Conner next reported that the storm event of October 9, 2003 caused stormwater flows in excess of 6.0 MGD at the STP. Mr. Conner explained that several manholes in low areas on the new sewer line from FM 2920 and Kuykendahl Road were inundated with water. Mr. Conner added that Aqua Services has purchased inflow protectors to be installed in the manholes that were inundated with stormwater as well as several other manholes located on the sewer lines from Kuykendahl at New Spring-Cypress Road going to Lift Station No. 2.

Concerning the maintenance items brought up earlier by Director Warren, Mr. Conner next reported that he had received a list of repair items from Director Warren, a copy of which is attached hereto. Mr. Conner noted that items that pertained to the District's water and sanitary sewer system will be handled by Aqua Services, but that items regarding the stormwater system are the responsibility of the County. Mr. Conner added that he had forwarded the list of such items to the County and is waiting for a response. Director Dill pointed out that the District should not be making repairs to sidewalks when it is the County's responsibility. Director Warren stated that the Bridgestone Homeowners Association ("Bridgestone HOA") is trying to get the County to install handicap sidewalk ramps in the District. Director Steffes stated that the meter boxes that are located in sidewalks should be relocated. Mr. Conner responded that there are five (5) or six (6) meter boxes located in sidewalks, but that relocating a meter box is not a simple procedure. Mr. Conner explained that he has set up a file to monitor what repairs are done by the County. Director Steffes commented that Mr. Conner should not spend a lot of time on the items that are the County's responsibility. The Board agreed that the County must be responsible for items concerning the storm sewer system and sidewalk replacements, and the District is to focus on items that are related to the District's water and sanitary sewer system.

Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to approve the General Manager's Report.

GOSLING PINES DETENTION POND MATTER

Ms. Bobbitt then asked Mr. Shackelford to address the Gosling Pines detention basin matter. Mr. Shackelford explained that the approval of Mr. Hudson's water, sanitary sewer and drainage plans for Gosling Pines is being held up by the County until they receive a detention pond maintenance letter from the District for the Gosling Pines detention pond. Mr. Shackelford stated that Mr. Hudson's detention pond will not have a gravity outfall until the County's Gosling Road gravity outfall is constructed and, therefore, Mr. Hudson is requesting a waiver of the District's drainage criteria and is requesting approval for a 75% pumped detention pond until such time as the County's Gosling Road gravity outfall is constructed. Mr. Shackelford

explained that Commissioner Eversole hopes to have the Gosling Road outfall in place by 2004 and that Mr. Hudson is willing to maintain the detention pond until it can be tied into the Gosling Road outfall. Mr. Shackelford added that Mr. Hudson is requesting that the Board grant a conditional waiver for an unspecified period of time until the Gosling Road outfall is completed by the County. Mr. Shackelford noted that it could be two (2) to five (5) years that Mr. Hudson would be responsible for maintaining the detention pond, and that it is possible that the County's Gosling Road outfall is never constructed. Mr. Shackelford also stated that there would not be any reimbursement to Mr. Hudson for the detention pond until the facility has been connected to the Gosling Road outfall ditch. Mr. Hudson noted that the Gosling Pines detention pond is oversized to retain a 100-year flood event. Ms. Bobbitt noted that she would need to amend the Agreement for Financing of Facilities for the Gosling Pines development to reflect the Board's decision on this matter. Upon motion by Director Dill, seconded by Director Joyce, after full discussion and the question being put to the Board, the Board voted unanimously to grant the conditional waiver and to defer reimbursement for the detention pond until such time as the detention pond is connected to the County's Gosling Road outfall and to authorize Ms. Bobbitt to prepare an Amended Agreement for Financing of Facilities for the Gosling Pines development and a Detention Pond Maintenance Agreement. Mr. Shackelford added that he will prepare the detention maintenance letter to the County and forward it to Director Steffes for signature.

MISCELLANEOUS MATTERS

Director Warren then recommended that the Board purchase 18 additional cushioned chairs for the meeting room. Upon motion by Director Warren, seconded by Director Dill, after full discussion and the question being put to the Board, the Board voted unanimously to approve the purchase of 18 additional cushioned chairs for the meeting room.

It was then noted that the next meeting of the Board will be held on Tuesday, November 18, 2003 at the Bridgestone HOA meeting facility.

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

PASSED, APPROVED AND ADOPTED this 18th day of November, 2003.

/s/Bob Joyce

Secretary, Board of Directors

(DISTRICT SEAL)

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