

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

January 30, 2018

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, January 30, 2018, at 4:30 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, thus constituting a quorum. Also attending the meeting were: Mr. Danny Staab of Water District Management Company, Inc., operators for the District; Messrs. Erich Peterson, P.E., and Josh Lee, P.E., of Jones & Carter, Inc., engineers for the District; Ms. Mary Jarmon of Myrtle Cruz, Inc., bookkeepers for the District; Mr. Ricardo Martinez of Martinez Architects, LP; Ms. Alison Miller, paralegal, of Radcliffe Bobbitt Adams Polley PLLC, 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.

REVIEW AND DISCUSS PLAN OF FINANCING FOR THE DISTRICT'S CAPITAL NEEDS

Ms. Jarmon stated that the District has historically reimbursed developers out of the District's surplus operating funds and used bond financing to pay for larger District projects. Ms. Jarmon further stated that bond financing would be the best option to pay for the District's Operations and Water Education Center (the "Operations Center") because rates are currently very low, and the District would be able to issue bonds while not raising its tax rate. Ms. Jarmon explained that the Texas Water Development Board's ("TWDB") State Revolving Funds can sometimes be difficult to acquire for projects that are not strictly water or wastewater related. Mr. Peterson further stated that the TWDB application process is very extensive and labor intensive, and does not guarantee that the District will receive any funding for their project. Ms. Jarmon then stated that traditional bond financing is easier for the District, and that the

District could always use cash on hand to pay for portions of the Operations Center and then reimburse the operating fund with bond proceeds once the bonds were sold.

Discussion ensued regarding the various funding options. The Board then concurred to halt the preparation of the TWDB application process.

DISCUSS PROPOSED DISTRICT OPERATIONS AND WATER EDUCATION CENTER, BUILDING DESIGN AND SITE DEVELOPMENT, AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Martinez stated that now that the Board has decided not to pursue the TWDB funding for the Operations Center, he can obtain additional contractor bids for construction of the building. Mr. Martinez explained that since the Operations Center would not be subject to the LEED certification requirements that the TWDB forgiveness program would require, he would be able to remove those items from the building specs.

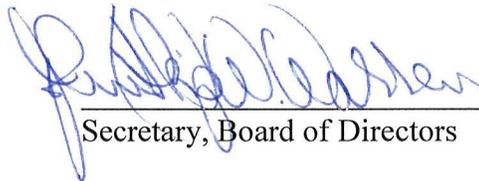
REVIEW AND DISCUSS DISTRICT'S CAPITAL IMPROVEMENT PLAN (THE "CIP"), AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Lee then reviewed the District's CIP, a copy of which is attached hereto. Extensive discussion ensued regarding the various items on the CIP.

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

PASSED, APPROVED AND ADOPTED this 20th day of February, 2018.




Secretary, Board of Directors