

MINUTES OF MEETING
OF
BOARD OF DIRECTORS

November 1, 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 District's Wastewater Treatment Plant, 21106 Slippery Rock, Spring, Texas, within the boundaries of the District, on Thursday, November 1, 2018, at 5:30 a.m.; whereupon, the roll was called of the members of the Board, to-wit:

Jim Marks	President
Mikuel K. Draper	Vice President
John "Skip" W. Warren	Secretary
Ronald W. Schkade	Assistant Secretary
Michael Crayton	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 was: Mr. Danny Staab of Water District Management Company, Inc. ("WDM"), operators for the District; Mr. Josh Lee, P.E., and Ms. Kendall Chatman, of Jones & Carter, Inc., engineers for the District; Mr. Corey Howell of The GMS Group LLC, financial advisors for the District; Mr. Jonathan D. Polley, attorney, Ms. Monica Garza, attorney, and Ms. Alison A. 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.

UPDATE SCHEDULE FOR THE SALE AND DELIVERY OF THE DISTRICT'S \$7,400,000 WATERWORKS AND SEWER SYSTEM COMBINATION UNLIMITED TAX BONDS, SERIES 2018 (THE "SERIES 2018 BONDS")

Mr. Polley reported that the closing for the Series 2018 Bonds is scheduled for Thursday, November 29th. Mr. Polley also stated the transcript for the Series 2018 Bonds will be submitted to the Attorney General for approval next week.

REVIEW BIDS AND AWARD SALE OF SERIES 2018 BONDS

Mr. Howell then distributed a summary of the 11 bids that were received earlier in the day for the purchase of the District's Series 2018 Bonds, a copy of which is attached hereto.

Mr. Howell recommended the Board accept the bid of Raymond James & Associates, Inc. ("Raymond James") for the Series 2018 Bonds at a cash price of \$7,205,947, which represents 97.377662% of the par value of the Series 2018 Bonds, with a net effective interest rate of 4.065121%. Mr. Howell also stated that there were two (2) bids for bond insurance, and recommended Assured Guaranty Municipal Corp. at a cost of \$27,500.

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 accept the bid of Raymond James for the purchase of the Series 2018 Bonds.

ADOPT ORDER AUTHORIZING ISSUANCE OF SERIES 2018 BONDS (THE "BOND ORDER")

Mr. Polley next reviewed the Bond Order with the Board, and explained that it will be submitted to the Attorney General's office, along with the other bond documents in connection with the Series 2018 Bonds. Upon motion by Director Warren, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Bond Order.

AUTHORIZE EXECUTION OF CERTIFICATE OF REVENUES AND EXPENDITURES

Mr. Polley then reviewed the Certificate of Revenues and Expenditures with the Board, noting that pages reflecting the District's revenues/expenditures for the last five (5) years out of the District's audit report for the fiscal year ended December 31, 2017 have been attached to the Certificate. Upon motion by Director Warren, seconded by Director Crayton, after full discussion and the question being put to the Board, the Board voted unanimously to authorize execution of the Certificate of Revenues and Expenditures

REVIEW, APPROVE AND AUTHORIZE EXECUTION OF PAYING AGENT/REGISTRAR AGREEMENT WITH THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Mr. Polley then recommended The Bank of New York Mellon Trust Company, N. A. (the "Bank") serve as the Paying Agent/Registrar for the Series 2018 Bonds because the Bank serves as Paying Agent/Registrar for all of the District's other outstanding bonds. Mr. Polley then presented the Paying Agent/Registrar Agreement for the Board's approval, a copy of which is attached hereto. 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 approve and authorize execution of the Paying Agent/Registrar Agreement with the Bank.

APPROVE AND AUTHORIZE EXECUTION OF ALL OTHER DOCUMENTS AND AUTHORIZE ATTORNEY, FINANCIAL ADVISOR AND UNDERWRITER TO TAKE ALL OTHER NECESSARY ACTIONS IN CONNECTION WITH THE SALE AND ISSUANCE OF THE BONDS

Mr. Polley then requested the Board's authorization for the attorney, financial advisor and underwriters to take all necessary actions in connection to complete the sale and issuance of the Series 2018 Bonds. Upon motion by Director Warren, seconded by Director Crayton, after full

discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of all other documents and authorize Attorney, Financial Advisor and Underwriter to take all other necessary actions in connection with the sale and issuance of the Series 2018 Bonds.

REVIEW RESULTS AND RECOMMENDATIONS OF SANITARY SEWER CLEANING & TELEVISIONING PHASE I & II PROJECT (THE "TELEVISIONING PROJECT"), AND TAKE ANY NECESSARY ACTIONS ON SAME

Mr. Lee reviewed the results of the Phase I and II Televising Project with the Board, a copy of which is attached hereto. Mr. Lee reported that there are not as many repairs needed in Phase II as in Phase I. Mr. Lee reviewed and explained the different types of repairs that have been identified from the Televising Project. Mr. Lee recommended the Board identify a number of repairs they feel comfortable with completing at one time before moving on to another section of repairs. Mr. Lee explained that this will give the Board a better idea of how much each repair will cost and how long each repair will take. Director Warren stated he would like to break the project up into smaller sections to keep the cost down and minimize any disturbance to residents. Extensive discussion then ensued regarding the best method by which to proceed with repairs. Upon motion by Director Draper, seconded by Director Warren, after full discussion and the question being put to the Board, the Board voted unanimously to authorize WDM to make three (3) repairs from Phase I on Aspen Brook Lane.

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

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




Secretary, Board of Directors