

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

November 9, 2015

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 71 (the "District") met in regular session, open to the public, on the 9th day of November, 2015, at the District Administration Building, 21437 Clay Road, Katy, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

Katrina Thornhill	President
Pam Kerr	Vice President
Mary DuBois	Secretary
Phillip Smith, Jr.	Assistant Vice President
Jennifer Elms	Assistant Secretary

and all of the above were present.

Also present were William J. Harris and Arlyn Wassinger, District residents; Tracey Scott of Myrtle Cruz, Inc.; Alene Efaw of Brown & Gay Engineers, Inc. ("Brown & Gay"); Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; Laura Flores and Esther Flores of Tax Tech, Inc.; Steve Woodring and Scott Barr of Regional Water Corporation ("RWC"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); Officer Carhee of the Harris County Sheriff's Department; and Katie Carner and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

Director Thornhill called the meeting to order at 6:00 p.m.

COMMENTS AND WEBSITE INQUIRIES FROM THE PUBLIC

Mr. Harris commented regarding receipt of a notice of delinquent utility payment received and consulted with Mr. Woodring to identify the amount now due to avoid termination of service on December 1.

Mr. Wassinger updated the Board regarding his security concerns at the Bundy Lake Park gazebo after park hours, including lights being turned off at the gazebo after dark. He also requested an update regarding repair of the damaged fence and gazebo landscaping blocks at Bundy Lake Park.

MINUTES

The Board considered approving the minutes of the October 12, 2015 regular meeting and October 19, 2015, special meeting. Following review and discussion, Director Smith moved to approve the minutes of the October 12, 2015 regular meeting

and October 19, 2015, special meeting. Director Kerr seconded the motion, which passed unanimously.

GARBAGE COLLETION AND RECYCLING

There was no discussion for this agenda item.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Laura Flores reviewed the monthly tax assessor/collector's report. Ms. Laura Flores reported that 0.01% of the 2015 taxes were collected as of October 31, 2015.

After review and discussion, Director DuBois moved to approve the tax assessor/collector's report and payment of the bills presented for payment from the tax account. Director Smith seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

Ms. Laura Flores requested inclusion of a message in the utility billing notifying residents that tax bills for 2015 have been mailed. The Board also requested that a notice be included on the District website.

DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2015A BONDS

Mr. Ellis next reviewed a developer reimbursement report for the District's Series 2015A Unlimited Tax Bonds, with the exception of reporting for amounts to be reimbursed to Buffington Capital Holdings, LLC. Following review and discussion, Director DuBois moved to (1) approve the developer reimbursement report for the District's Series 2015A Unlimited Tax Bonds and authorize disbursement of funds, subject to receipt of a fully executed receipt from developers receiving funds; and (2) cut off developer interest for funds due Buffington Capital Holdings, LLC as of November 12, 2015. The motion was seconded by Director Kerr and passed unanimously.

REPORT ON PARK, LANDSCAPE AND LAKE MAINTENANCE

Discussion ensued regarding Bundy Lake Park renovation plans, including lighting and gate options, and park patrol.

Mr. Wailes updated the Board on the status of fence repair at Bundy Lake Park, installation of wall pack lighting at the Bundy Lake Park restrooms and installation of rain sensors. He also discussed a proposal received from Storm Water Solutions to repair the sinkhole at Lone Star Lake. Mr. Wailes said MSA would look at options to secure the landscaping blocks around the gazebo at Bundy Lake Park and to secure the gazebo lighting breaker with a box and hasp.

Director Smith requested that MSA inspect the fountain and lights at the pond across from the school to confirm the fountain and lights are in working order.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott reviewed a summary of the bookkeeper's report and investment report and presented the bills for payment.

After review and discussion, Director Kerr moved to (1) approve the bookkeeper's report and investment report; (2) approve the bills presented for payment; and (3) authorize disbursement of bond proceeds, subject to receipt of signed developer receipts. Director Elms seconded the motion, which carried unanimously.

REPORT ON DEVELOPMENT

No reports were given under this agenda item.

OPERATION OF DISTRICT FACILITIES

Mr. Woodring discussed Mr. Harris' utility bill and associated meter readings. Following review and discussion, Director Smith moved to replace Mr. Harris' meter. Director DuBois seconded the motion, which passed unanimously.

Mr. Woodring next presented an appeal from customer Lakenderia Redd disputing high usage meter readings and requesting credit for the month of July, 2015 equal to one half of the total utility bill. Following review and discussion, Director Smith moved to authorize the District operator to offer a payment plan to Ms. Redd. The motion was seconded by Director Elms and passed by a vote of 4 to 1 with Director Kerr opposing the motion.

Discussion ensued regarding the effect of ongoing construction on overall water accountability and identifying residential meters with high usage that need to be replaced.

Mr. Woodring then distributed the operator's report, a copy of which is attached, and reviewed the operations and repairs performed in the District during the previous month.

Mr. Woodring reported pumpage numbers for October 2015 and current water and wastewater capacity. He also reported on build out projections.

Following review and discussion, Director Smith moved to (1) approve the operator's report; and (2) authorize the District operator to include a message regarding 2015 tax bills in the January, 2016 utility billing. The motion, which was seconded by Director DuBois, passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Discussion ensued regarding payment options available to District customers. Mr. Woodring then discussed builder back-charges owed by Royce Homes, Trophy Homes, Colina Homes and Vestalia Homes. The Board then conducted a hearing on the termination of utility service. Mr. Woodring reported that the residents on the attached termination list were mailed written notice prior to this meeting in accordance with the District's Rate Order, notifying them of the opportunity to appear before the Board to explain, contest, or correct the utility service bill and to show reason why service should not be terminated for reason of nonpayment. Director Smith then moved that since the residents on the termination list were neither present at the meeting nor had presented any statement on the matter, utility service should be terminated in accordance with the procedures set forth in the District's Rate Order, with the exception of Lakenderia Redd, subject to the customer's acceptance of the payment plan offered, and that further taps be withheld from Royce Homes, Trophy Homes, Colina Homes and Vestalia Homes until back-charges are paid. Director DuBois seconded the motion, which carried unanimously.

ENGINEERING MATTERS

Ms. Efaw presented the engineer's report and updated the Board regarding engineering matters and the status of current construction projects. A copy of the engineer's report is attached.

Ms. Efaw presented and recommended for payment, Morton Road Sanitary Sewer Extension, Pay Estimate No. 1 in the amount of \$164,197.49 and Pay Estimate No. 2 in the amount of \$292,077.08, both pay able to D. Grimm, Inc. Ms. Efaw stated no flagmen were used, as previously discussed and authorized by the Board, but said that the contractor did not charge anything additional on the associated change order.

Ms. Efaw also said that B&G will coordinate with Storm Water Solutions, LP and the pipeline company that holds an easement over the property regarding how to best backfill the sinkhole at Lone Star Lake.

Following review and discussion, and based upon the engineer's recommendations, Director Elms moved to (1) approve the engineering report; and (2) approve Pay Estimate No. 1 in the amount of \$164,197.49 and Pay Estimate No. 2 in the amount of \$292,077.08, both pay able to D. Grimm, Inc. for the Morton Road sanitary sewer extension. Director DuBois seconded the motion, which carried unanimously.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.076, TEXAS GOVERNMENT CODE, TO DELIBERATE THE DEPLOYMENT, OR SPECIFIC OCCASIONS FOR IMPLEMENTATION OF SECURITY PERSONNEL OR DEVICES

At 7:12 p.m., Director Thornhill announced that the Board would convene in executive session to deliberate the deployment or specific occasions for implementation of security personnel or devices in the District. The Board met with Officer Carhee. Ms. Carner and Ms. Miller also were present.

RE-CONVENE IN OPEN SESSION, SECURITY REPORT

At 7:37 p.m., Director Thornhill announced the Board would reconvene in Open Session. No action was taken as a result of discussion in executive session.

REPORT ON PARK, LANDSCAPE AND LAKE MAINTENANCE (CONTINUED)

Discussion ensued regarding confirming that park signage, including park hours, is consistent and adding additional signage in both parking lots at Bundy Lake Park.

DISTRICT INFORMATION KIT

Ms. Carner updated the Board regarding comments received for the District Information Kit.

DISTRICT WEBSITE

There was no discussion for this agenda item.

DIRECTORS AND DISTRICT CONSULTANT'S REPORTS ABOUT DISTRICT OPERATIONS

The Board discussed the Association of Water Board Directors ("AWBD") fall seminar.

ATTORNEY'S REPORT

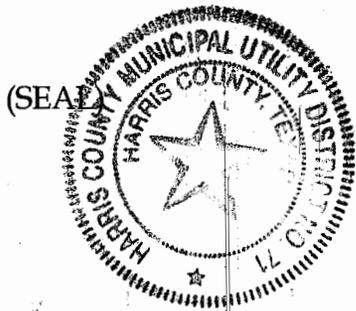
The Board reviewed and revised the Action List and discussed and amended the status of the items listed.

The Board discussed agenda items for November 30 special meeting and confirmed one December meeting only on December 14, 2015.

HOLIDAY IN THE PARK

The Board discussed plans for the annual Holiday in the Park, including event flyers and parking. The Board concurred that Director Kerr would act as Board liaison for the 2015 Holiday in the Park event.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:55 p.m. Director Kerr seconded the motion, which passed unanimously.



Mary DuBois
Secretary Board of Directors

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