

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

February 22, 2017

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 71 (the "District") met in special session, open to the public, on the 22nd day of February, 2017, 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
Jennifer Elms	Assistant Secretary
Phillip Smith, Jr.	Assistant Vice President

and all of the above were present except Director DuBois, thus constituting a quorum.

Also present were Steve Woodring and Scott Barr of Regional Water Corporation ("RWC"); Nick Cooke and Sherrie Knoepful of Mike Stone Associates, Inc. ("MSA"); Alene Efaw of BGE, Inc. ("BGE"); and Katie Carner and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

Director Thornhill called the meeting to order at 6:08 p.m.

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

The Board determined it was not necessary to convene in executive session.

MINUTES

The Board considered approving the minutes of the January 25, 2017, special meeting, as submitted. Following review and discussion, Director Kerr moved to approve the January 25, 2017, special meeting minutes. Director Thornhill seconded the motion, which passed unanimously.

REPORT ON PARK, LANDSCAPE AND LAKE MAINTENANCE AND REPAIR AND DEVELOPMENT OF DISTRICT LAKES, PARKS AND RECREATIONAL FACILITIES

Mr. Cooke reviewed a Parks Management Report, a copy of which is attached to these minutes, and reported on maintenance completed, including landscape maintenance and irrigation inspection, emergency items repaired at Bundy Lake Park

under \$500; District detention ponds; District common areas; and the District Administration Building.

Mr. Cooke first updated the Board regarding previously approved repairs and routine maintenance at Directors Park, including landscape maintenance, application of insecticides and fungicides on plants around the Administration Building and repair of a leak at the back flow preventer at the splash pad.

Mr. Cooke next updated the Board regarding previously approved repairs at Bundy Lake Park, reported trash can lids removed from receptacles and thrown through the park and updated the Board regarding ongoing assessment of Bundy Lake fountains and breakers, bulkhead cracking and erosion and issues with the breakers at the gazebo. He reported that Lake Management Services (“LMS”) will attempt to anchor both sides of the pipe visible above the Bundy Lake surface to pull the pipe below the water surface. He also reported that AT&T installed a new cover over damaged AT&T equipment on the sidewalk near Lakes of Bridgewater.

Mr. Cooke reported regarding repairs and maintenance at District detention ponds and lakes, including fountain repair, operation and maintenance at Mirror Lake, Wishing Well Fountain 3 and Lone Star Lake. Mr. Cooke reported sizeable cracks on newly installed asphalt trails around Lone Star Lake and said MSA has a meeting with the contractor to assess the damage and make repairs without expense to the District. Mr. Cooke said repair to the sinkhole at the outfall pipe at Lone Star Lake is complete and that Storm Water Solutions has submitted a final invoice that will be submitted to the District bookkeeper after reviewed and verified by BGE.

Mr. Cooke reported that demolition related to renovation of Bundy Lake Plaza started on February 9, 2017 and should be completed by Friday. He said the lighting phase should start on Monday and be complete by March 5, 2017. He said the concrete contractor will move onsite after completion of the lighting phase and the project schedule will be updated Friday when the demolition phase is complete.

Ms. Knoepful reviewed a revised remodeling estimate for the Administration Building kitchen and discussed lead times for ordering cabinets. Discussion ensued regarding project schedules and disruption of building rentals and the Board then concurred to block April 15, 2017 to May 15, 2017 for the proposed remodel. Following review and discussion, Director Kerr moved to authorize MSA to initiate the remodel, as discussed. Director Elms seconded the motion, which passed unanimously.

The Board next discussed funds budgeted and projected for park maintenance. Following review and discussion, Director Thornhill moved to approve the park maintenance budget for the fiscal year ending March 31, 2018. Director Elms seconded the motion which passed unanimously. The Board then reviewed an updated park capital improvements plan and discussed paring down park improvements in light of

more immediate operational issues that require funding. Following discussion, Director Kerr moved to approve the parks capital improvement plan, as presented, but the motion failed for lack of a second. The Board concurred to defer additional discussion until after review of the District engineer's capital improvement plan.

OPERATION OF DISTRICT FACILITIES

There was no discussion for this agenda item.

RESOLUTION APPROVING SUBMITTAL OF THE WATER SMART APPLICATION

Mr. Woodring presented and reviewed a Resolution Approving Submittal of the Water Smart Application ("Resolution"). Following discussion and review, Director Thornhill moved to approve the Resolution and authorize the District's operator to submit the Resolution and all necessary information for the District's Water Smart application. Director Elms seconded the motion, which passed unanimously.

RESOLUTION ADOPTING POLICY AND PROCEDURES FOR LEAK ADJUSTMENT CREDITS

The Board reviewed a draft Resolution Adopting Policy and Procedures for Leak Adjustment Credits and discussion ensued regarding proposed policy application to an average bill. Director Kerr moved to reject the proposed resolution. The motion was seconded by Director Elms and failed by a vote of 2 to 2, with Directors Thornhill and Smith voting against the motion. The Board concurred to discuss this matter further at the March regular meeting.

ENGINEERING MATTERS

Ms. Efaw discussed the status of Water Plant Nos. 1 and 2 improvements and said the contractor has ordered the new pump which should come in by the end of next week.

The Board next reviewed a proposed capital improvements plan for both District and joint facilities for the fiscal year ending March 31, 2018. Mr. Woodring said he would bring estimates for manhole and valve surveying to the March 22, 2017 special meeting. Following review and discussion, Director Elms moved to authorize BGE to initiate design of the natural gas generator for the Vineyard Meadows lift station and one additional lift station generator chosen by the District engineer. The motion was seconded by Director Thornhill and passed unanimously. The Board concurred to budget \$700,000 for capital improvements. Ms. Efaw stated she recommended the second generator be placed at the Mason Road lift station. Additional discussion ensued regarding the District's operating reserve.

REPORT ON PARK, LANDSCAPE AND LAKE MAINTENANCE AND REPAIR AND DEVELOPMENT OF DISTRICT LAKES, PARKS AND RECREATIONAL FACILITIES (CONTINUED)

Director Kerr then moved to budget \$500,000 for park capital improvement projects for the fiscal year end March 31, 2018. The motion was seconded by Director Thornhill. Director Kerr then amended her motion to budget \$671,500 for park capital improvements, which Director Thornhill did not second. Director Elms seconded the motion which failed by a vote of 2 to 2 with Directors Thornhill and Smith voting against the motion. Director Thornhill then moved to budget \$500,000 for park capital improvements. The motion was seconded by Director Smith and passed by a vote of 3 to 1, with Director Kerr voting against the motion.

ACTION LIST

The Board reviewed and discussed items removed and added to the Action List.

AGENDA FOR MARCH 2017 REGULAR MEETING

The Board confirmed its regular meeting on March 13, 2017 and a special meeting on March 22, 2017 and discussed agenda items for the regular meeting.

DIRECTORS' AND DISTRICT CONSULTANTS' REPORTS ABOUT DISTRICT OPERATIONS

Director Kerr requested that RWC remove recycled paper from the Administration Building Board meeting room.

Ms. Carner updated the Board on suit filed against RWC, MSA, and Storm Water Solutions by Valleria Woods.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 8:12 p.m. Director Elms seconded the motion, which passed unanimously.

Mary Dubois
Secretary Board of Directors



LIST OF ATTACHMENTS TO MINUTES

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