

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

March 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 22<sup>nd</sup> day of March, 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 Elms, thus constituting a quorum.

Also present were Suzanne McDonald, District resident; Steve Woodring and Scott Barr of Regional Water Corporation ("RWC"); Nick Cooke of Mike Stone Associates, Inc. ("MSA"); Rodney Heisch of BGE, Inc. ("BGE"); Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; 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.

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 February 22, 2017, special meeting, as submitted. Following review and discussion, Director Smith moved to approve the February 22, 2017, special meeting minutes. Director Kerr seconded the motion, which passed unanimously by a vote of 3 to 0, with Director DuBois being absent from voting.

AUDIT FOR FISCAL YEAR END MARCH 31, 2017

The Board considered engaging an auditor to conduct an audit for the fiscal year ending March 31, 2017. Mr. Ellis presented and reviewed an engagement letter to

conduct the District's annual audits and said the estimated fees for the fiscal year ending March 31, 2017 will be between \$19,000 and \$20,500 for the District audit and between \$2,750 and \$3,250 for audit of the joint accounts. Following review and discussion, Director Kerr moved to engage McCall Gibson Swedlund Barfoot PLLC to conduct the District's annual audits of the District's account and joint accounts. Director Smith seconded the motion, which passed by a vote of 3 to 0, with Director DuBois being absent from voting.

#### OPERATION OF DISTRICT FACILITIES

Mr. Woodring and Ms. McDonald reviewed photos of and discussed deterioration of the iron fence between the rear of Ms. McDonald's lot and the detention pond in Mason Lakes due to exposure to irrigation spray. Following review of photos provided by Ms. McDonald and discussion, the Board concurred to recommend that Ms. McDonald follow up with the Mason Lakes Homeowner's Association to request that they redirect irrigation spray away from her fence line. Copies of the photos are attached.

Mr. Woodring discussed a new Treasury Management Services Agreement with BBVA/Compass Bank, which is in progress.

#### ENGINEERING MATTERS

Mr. Heisch discussed the status of Water Plant Nos. 1 and 2 improvements and said bacteriological sampling is underway at Water Plant No. 2. Discussion ensued regarding work completed by the contractor at Water Plant No. 1 and previous discussions with the contractor regarding phasing work to avoid taking Water Plant No. 1 down during peak use season, including installing a new location for the incoming power and other temporary work to keep the Water Plant No. 1 operational. Mr. Heisch said the contractor agreed to cover expenses for installation of power and other temporary work necessary to keep Water Plant No. 1 operational until work is resumed following peak water use season.

Mr. Heisch also updated the Board regarding paving in Bridgewater Meadows, Section 4.

#### OPERATION OF DISTRICT FACILITIES (CONTINUED)

Mr. Woodring updated the Board regarding electrical repairs at Water Plant No. 2.

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, he updated the Board regarding ongoing assessment of Bundy Lake bulkhead cracking and erosion and anchoring both sides of the pipe visible above the Bundy Lake surface to pull the pipe below the water surface. Discussion ensued regarding current duck population and efforts to control duck population in comparison to the cost of power washing duck waste from the monument area 2 to 3 times per week.

Mr. Cooke reported regarding repairs and maintenance at District detention ponds and lakes, and presented a proposal from Lake Management Services in the amount of \$3,024.27 to install armored cable for the fountain at Lone Star Lake. Following discussion, upon a motion by Director Smith and a second by Director DuBois, the Board voted unanimously to authorize installation of the armored cable, as recommended by Lake Management Services.

Mr. Cooke updated the Board regarding inspection of cracks on newly installed asphalt trails around Lone Star Lake and said the contractor has agreed to re-pour the section of trail where the cracks are located at no cost to the District and will start next week. Discussion ensued regarding trail closure during the asphalt pour, and the Board concurred to close the entire trail during repair. Director Smith requested that MSA follow up with Storm Water Solutions to make sure no mowing equipment is moved over the asphalt paved trails. Mr. Cooke also reported that Native Land Design will replace several dead trees at Lone Star Lake under warranty.

Mr. Cooke reported that demolition associated with the remodeling of the Administration Building kitchen will begin on April 1, 2017 and said there will be a dumpster for construction waste in the parking lot during demolition.

Mr. Cooke reported that the demolition phase of the ongoing renovation of Bundy Lake Plaza is complete and updated the Board on the proposed renovation



schedule. Mr. Cooke reported damage of an irrigation main line and said he estimated a cost of \$400 to run a new main line north of Mason Road. Following discussion, Director Thornhill moved to authorize preparation of a Change Order for an amount not to exceed \$400 to install a new main line, as discussed. The motion was seconded by Director Kerr and passed unanimously. Mr. Cooke next reviewed an artistic rendering of proposed monument signage, and Director Smith requested options for signage lighting.

Ms. Carner updated the Board regarding transfer of the storm water quality permit for the detention facilities at the Lakes at Mason Park into the District's name and said Blake Kridel of Storm Water Solutions, LP recommended by email that the Board accept transfer of the storm water quality permit. After discussion, the Board concurred to defer action on transfer of the storm water quality permit until Ms. Carner contacts the Lakes at Mason Parks Homeowner's Association to confirm they are aware of their obligation to maintain Reserves A and B.

#### RESOLUTION ADOPTING POLICY AND PROCEDURES FOR LEAK ADJUSTMENT CREDITS

The Board reviewed and discussed a draft Resolution Adopting Policy and Procedures for Leak Adjustment Credits. Following review and discussion, Director Smith moved to adopt the Resolution Adopting Policy and Procedures for Leak Adjustment Credits, as amended, and strike language specifying leaks internal to the structure as ineligible for relief. Director Thornhill seconded the motion, which 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 APRIL 2017 REGULAR MEETING

The Board confirmed its regular meeting on April 10, 2017 and a special meeting on April 26, 2017 and discussed agenda items for the regular meeting.

#### DIRECTORS' AND DISTRICT CONSULTANTS' REPORTS ABOUT DISTRICT OPERATIONS

Director Smith requested that Public Comments be added to the special meeting agendas.

Ms. Miller updated the Board regarding previous reports of glass left in the street following recycling collection, and said Best Trash has been notified and will follow up with collection crews.

The Board discussed attendance at the Association of Water Board Directors' Spring Breakfast.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:39 p.m. Director Smith seconded the motion, which passed unanimously.

  
Asst Secretary, Board of Directors



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