

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

June 1, 2015

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 1st day of June, 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
Garth Freeze	Assistant Vice President
Phillip Smith, Jr.	Assistant Secretary

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

Also present were Steve Woodring, Ginny Woodring, and Scott Barr of Regional Water Corporation; Kendall Purgatorio and Sherrie Knoepfel of Mike Stone Associates, Inc. ("MSA"); Alene Efaw of Brown & Gay Engineers, Inc. ("B&G"); Grant Jones and Jeff Thies of Native Land Design; and Hannah Brook and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

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

ADMINISTRATION BUILDING, GAZEBO, AND RESTROOM AT BUNDY LAKE AND PARK, LANDCAPE AND LAKE MAINTENANCE AND REPAIR AND DEVELOPMENT OF DISTRICT LAKES, PARKS, AND RECREATIONAL FACILITIES

Ms. Purgatorio reported on maintenance completed and scheduled at Director's Park, including mowing schedules, irrigation repairs, inspection of the administration building following a lightning strike, removal of large tree branches downed throughout District recreational facilities during recent storms, removal and stump grinding of damaged trees in Directors Park and on Sapphire Court, inspection of playground equipment, removal of additional ducks at Bundy Lake, adjustment to Bundy Lake monument lighting to address lighting "hot spots" and installation of a controller in a water tight containment box at Bundy Lake monument. Director Smith reported sprinklers running during recent rain events and requested MSA follow up to confirm whether irrigation in the District common areas includes rain sensors and whether those sensors are operational.

Mr. Jones and Mr. Thies next reviewed a landscape plan and cost estimate for fencing/screening options on the east fence of Directors Park similar to the landscaping at the District's wastewater treatment plant. Following discussion, the Board concurred to defer action until the Directors have an opportunity to inspect the landscaping at the wastewater treatment plant for a point of reference. Director Freeze requested an option in the estimate to landscape from the fence midpoint to Clay Road. Ms. Knoepful said that MSA will also bring maintenance costs assumptions with each option for review at the next meeting.

Mr. Jones next reviewed a revised design layout for walking trails, landscape beds, reforestation, irrigation, and site furnishings for Lone Star Lake. Ms. Knoepful discussed increased maintenance costs and the Board concurred to request costs for the 4' and 6' wide trail options and omit the 8' wide trail option from the layout. Following discussion, Ms. Knoepful said MSA will revise the layout, as discussed, and bring it to the June special meeting.

#### ARBITRAGE REBATE AND YIELD RESTRICTION CALCULATION FOR THE SERIES 2006 AND 2006A BONDS

The Board next considered a proposal from Omnicap, LLC to prepare an arbitrage rebate and yield restriction calculation for the District's Series 2006 and 2006A Bonds. Following review and discussion, Director Smith moved to approve the proposal. Director DuBois seconded the motion, which passed unanimously.

#### OPERATION OF DISTRICT FACILITIES

Mr. Woodring reported Alsay, Inc.'s findings regarding reduction of output in booster pump no. 1 at water plant no. 2 and said Alsay, Inc. found wear in the pump and recommended repair in the amount of \$130,000, which amount includes \$7,800 for cost of the initial evaluation. Following review and discussion, Director DuBois moved to (1) approve Alsay, Inc.'s repair proposal in the amount of \$130,000; and (2) authorize the District engineer to make Application for Authorization to Proceed with Emergency Project, Pursuant to Texas Water Code Section 49.274 to the TCEQ. Director Kerr seconded the motion, which passed unanimously.

Mr. Woodring next reported RWC received a low tank alarm from the Mason Lakes remote well and found damage to the starter switch gear on the well motor. He estimated \$18,000 for repair and said he will file a claim with the District's insurance carrier. Following review and discussion, Director Thornhill moved to approve the repair, as discussed. Director Smith seconded the motion, which passed unanimously.

Mr. Woodring reported both de-chlorination pumps are down and recommended replacing both for an estimate of \$10,500. Upon a motion by Director

Kerr and a second by Director DuBois, the Board voted unanimously to authorize the repair.

Discussion ensued regarding translating educational materials regarding disposal of rags and wipes for the District website.

Ms. Woodring then updated the Board regarding AT&T's call traffic study of RWC phone lines/system, including information regarding the number of concurrent calls that can be received. Ms. Woodring said she was reviewing the information with Director Kerr.

Discussion ensued regarding an email submitted to the District's website regarding falsifying information to rent the administration building. The Board also discussed the District's rental policy for for-profit users and for use of alcohol in the administration building. Following review and discussion, Director Thornhill requested that an agenda item be placed on the next special agenda to discuss and consider amendment to the District's use and rental policy.

#### ENGINEERING MATTERS

Ms. Efaw updated the Board regarding commercial development of and sanitary sewer extensions necessary to serve the Miles family tract and said B&G will have bids for the Board's review at the regular meeting in June. She said bids for improvements at water plants nos. 1 and 2 are pending and also will be available for Board review at the June special meeting.

Ms. Efaw updated the Board regarding re-platting of residential lot nos. 14 through 21 currently included on the Bundy Lake plat and obtaining a permit from Harris County for proposed renovations to Bundy Lake Park Plaza.

#### ACTION LIST

The Board reviewed and discussed the Action List.

#### AGENDA FOR JUNE 2015 REGULAR MEETING

The Board confirmed its regular meetings on June 8, 2015 and special meeting on June 29, 2015, and discussed agenda items.

#### DIRECTORS AND DISTRICT CONSULTANT'S REPORTS ABOUT DISTRICT OPERATIONS

Additional discussion ensued regarding obligations of the District for damage to residential property adjacent to District property. The Board concurred to defer discussion pending additional information from the District's insurance carrier.

LEGISLATIVE MATTERS

There was no discussion for this agenda item.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:22 p.m. Director Smith seconded the motion, which passed unanimously.

*Mary Dubois*  
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Secretary, Board of Directors

(SEAL)

