

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

August 31, 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 31st day of August, 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 except Director Freeze, thus constituting a quorum.

Also present were Jennifer Elms, District resident; Steve Woodring and James Woodring of Regional Water Corporation ("RWC"); Kendall Purgatorio and Josh Whales of Mike Stone Associates, Inc. ("MSA"); Alene Efaw of Brown & Gay Engineers, Inc. ("B&G"); and Lynne Humphries and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

Director Thornhill called the meeting to order at 6:01 p.m.

MINUTES

The Board considered approving the minutes of the July 29, 2015 special meeting. Following review and discussion, Director Kerr moved to approve the minutes of the July 29, 2015 special meeting. Director Smith seconded the motion, which passed unanimously.

RESIGNATION OF DIRECTOR FREEZE AND AUTHORIZE EXECUTION OF DISTRICT REGISTRATION FORM

The Board next received the resignation of Director Freeze, who has moved out of state. Upon a motion by Director Smith and a second by Director Thornhill, the Board voted unanimously to accept Director Freeze's resignation and authorize execution and filing of an amended District Registration Form with the Texas Commission on Environmental Quality ("TCEQ") reflecting a Board vacancy.

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 reviewed a Park and Landscape Management Report, a copy of which is attached to these minutes, and reported on maintenance completed, including emergency items at Bundy Lake Park under \$500, pending and scheduled at Director's Park, Bundy Lake, District detention ponds and the administration building. The Board also discussed high grass/weeds in the lot next to Directors Park.

Ms. Purgatorio discussed customer emails received requesting that the splash pad dates be extended past Labor Day 2015. Following discussion, the Board concurred to open the splash pad on Labor Day 2015 and close the following day.

Ms. Purgatorio next discussed the following proposals:

1. Proposal No. DP032-01 in the amount of \$816.50 for repair of the air conditioning unit in the District Administration Building, including replacing a defective blower motor, capacitor and wheel;
2. Proposal No. DP032-02 in the amount of \$350 for annual maintenance of the 4 air conditioning units at the Administration Building; and
3. Proposal No. DP032-03 in the amount of \$220 for annual maintenance of the entrance gate to Directors Park.

Following review and discussion, Director Smith moved to approve the proposals listed above. Director Kerr seconded the motion, which passed unanimously.

Ms. Purgatorio next reported regarding the progress of relocation of ducks at Bundy Lake and resident complaints regarding fountains out of service and fountain lights out. Ms. Purgatorio discussed contractor issues with the last scheduled duck relocation and requested authorization to change contractors to relocate the last 30 Muscovy ducks. Additional discussion ensued regarding low water levels in ponds and exposed aerators and slowing refilling ponds following completion of emergency repairs at Water Plant No. 2. Ms. Purgatorio then presented Proposal No. DP041-01 in the amount of \$2,098.80 to install a new motor in fountain no. 1 at Bundy Lake.

Ms. Purgatorio updated the Board regarding a pending request to the Bridgewater Community Association to split the cost of stake removal and trimming of trees in the right of way at the back of Bundy Lake Park. Ms. Purgatorio said the Bridgewater Community Association requested clarification of amounts for which the District was requesting cost sharing. Following discussion, the Board concurred that MSA notify the Bridgewater Community Association that the District is requesting that the Bridgewater Community Association share in the initial cost to remove stakes and trim trees and that the District will pick up maintenance on a going forward basis.

Following review and discussion, Director Smith moved to approve (1) Proposal No. DP041-01 in the amount of \$2,098.80 to install a new motor in fountain no. 1 at Bundy Lake; (2) Proposal No. DP040-01 in the amount of \$712.09 to trim 20 live oaks and dispose of debris; and (3) Proposal No. DP040-02 in the amount of \$294.95 to remove 9 tree stakes and dispose of debris. Director DuBois seconded the motion, which passed unanimously.

Ms. Purgatorio reported MSA met with Harris County to discuss permitting for planned improvements at Bundy Lake. Ms. Efaw said B&G would provide a survey to Harris County that shows the improvements in relation to Harris County right of way to confirm for Harris County that there are no line of site issues.

Ms. Purgatorio next reviewed a revised construction cost summary for walking trails, landscape beds, reforestation, irrigation, and site furnishings for Lone Star Lake, Phase 1. Discussion ensued regarding bidding paving work separately and required bonds and insurance. Ms. Humphries suggested MSA inquire if Harris County has a program for sharing in the cost of building public park parking lots.

OPERATION OF DISTRICT FACILITIES

Mr. Woodring and Ms. Efaw updated the Board regarding emergency repairs at Water Plant No. 2 and discussed ongoing implementation of voluntary conservation measures until the repair is complete. The Board also discussed triggers for additional stages of water conservation under the District's Drought Contingency Order.

The Board discussed the District's use and rental policy for District administration building and concurred that no changes are necessary and that the item be removed from the agenda.

The Board next discussed amending the District's Rate Order to allow proration of the sanitary sewer base rate. The Board also discussed homeowner's associations' water rates and usage and the Board concurred that RWC send a letter to the homeowner's associations encouraging water conservation and informing the homeowners' associations that continued waste of water may result in increased rates in the future. Following review and discussion, Director Smith moved to amend the Rate Order to allow proration of the sanitary sewer base rate. Director Kerr seconded the motion, which passed unanimously.

The Board next discussed amending the District Rate Order making payments posted timely when postmarked rather than when received. Following review and discussion, Director Kerr moved to amend the District Rate Order to mark payments posted as timely based on the postmark date rather than the received date. Director DuBois seconded the motion, which passed unanimously.

The Board then discussed allowing disconnection of service for failure to pay backcharges for damages to District facilities. Ms. Humphries stated the notice provisions of termination in the Rate Order would apply. Following review and discussion, Director Kerr moved to amend the District Rate Order to authorize disconnection of service for failure to pay backcharges for damages to District facilities. The motion was seconded by Director DuBois and passed by a vote of 3 to 1, with Director Smith voting against the motion.

The Board discussed with RWC revising the payment options available in the District Rate Order, but then concurred to make no changes.

Mr. Woodring updated the Board regarding response to the educational consumer awareness survey regarding disposal of rags and wipes. Following review and discussion, the Board concurred to place a follow up agenda item for the regular meeting in January 2016 to consider publishing the survey again for customer review and credit.

ENGINEERING MATTERS

Ms. Efaw updated the Board regarding water plant no. 1 and 2 improvements.

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.

Ms. Humphries discussed sanitary sewer extension easements prepared by B&G necessary to serve development at Morton Road and Mason Road. Following review and discussion, Director Thornhill moved to accept the easements from DAD Entrepreneurs, LLC and D&M Katy Realty, LLC. Director DuBois seconded the motion, which passed unanimously.

ACTION LIST

The Board reviewed and discussed the Action List.

AGENDA FOR SEPTEMBER 2015 REGULAR MEETING

The Board confirmed its regular meetings on September 14, 2015 and special meeting on September 30, 2015 and discussed agenda items. The Board also scheduled a special meeting on October 28, 2015.

DIRECTORS AND DISTRICT CONSULTANT'S REPORTS ABOUT DISTRICT OPERATIONS

Director Kerr discussed the National Night Out event.

The Board concurred to post notice of the Board vacancy on the District's website and authorize an email blast inviting qualified applicants/residents to submit an application by September 30, 2015. The Board asked that the agenda for the special meeting on September 30, 2015 include an item to review and discuss.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:08 p.m. Director Smith seconded the motion, which passed unanimously.

Mary DuBeis

Secretary, Board of Directors

(SEAL)

