

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

March 31, 2016

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 31<sup>st</sup> day of March, 2016, 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 Scott Barr of Regional Water Corporation ("RWC"); Sherrie Knoepful and Nick Cooke of Mike Stone Associates, Inc. ("MSA"); Rodney Heisch of Brown & Gay Engineers, Inc. ("B&G"); Mike Williams, District resident; Joseph Ellis of McCall Gibson Swedlund Barfoot PLLC; and Katie Carner and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

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 did not convene in executive session.

SUPPLEMENTAL DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2014 AND SERIES 2015A BONDS

Mr. Ellis reviewed a supplemental reimbursement report for the District's Series 2014 and 2015A Bonds. Following review and discussion, Director Kerr moved to approve the supplemental reimbursement report and authorize the District bookkeeper to distribute funds as directed in the report. The motion was seconded by Director Elms and passed unanimously.

MINUTES

The Board considered approving the minutes of the February 29, 2016 special meeting. Following review and discussion, Director Smith moved to approve the minutes. Director Elms 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 Park and Landscape Management Report, a copy of which is attached to these minutes, and reported on maintenance completed, including planting of seasonal color, emergency items repaired at Bundy Lake Park under \$500, and pending and scheduled repair and maintenance items at Director's Park, Bundy Lake, District detention ponds, District common areas and the administration building.

Mr. Cooke first discussed routine maintenance and updated the Board regarding previously approved repairs at Directors Park, and presented proposal no. BL-2016-07; to trim trees along Lakes of Bridgewater and Mason Road in the amount of \$862.50.

Mr. Cooke reported that MSA inspected screening coverage at the wastewater treatment plant following removal of dead landscaping and said that coverage is adequate and that MSA does not recommend additional plantings.

Mr. Cooke next discussed routine maintenance and repair at Bundy Lake Park, including discussion regarding cracks along the bulkhead of the island in Bundy Lake. Ms. Knoepf said MSA will monitor the pavement movement and request pricing to remove the tree at the bulkhead crack. Discussion ensued regarding replanting trees on the island and/or of extending the bulkhead. The Board also discussed the status of plan approval for proposed renovation of the Bundy Lake Park Plaza and fencing, as proposed in the current plans pending Harris County approval. Following discussion, Director Smith move to proceed with the current plan to remove fencing at the corner entrance of Bundy Lake Plaza and leave the entrance open. The motion was seconded by Director Thornhill and passed by a vote of 3 to 1 with Director Elms voting against the motion.

The Board then discussed fountain and lake management issues, including fountains down and resident complaints regarding same and cost estimates to install climate control boxes for the controllers at Bundy Lake. Following discussion, Director Smith requested that all fountain lighting be changed to white in Mirror Lake.

The Board next discussed proposed furnishings for the trails under construction at Lone Star Lake. Following discussion regarding proposed product aging and furnishings installed in Directors Park, the Board concurred to move forward with the recommended furnishings in product color cedar and black. Ms. Knoepf also reviewed budgets for Phase 2 of the Lone Star Lake recreational facilities development, including reforestation and sodding along Mason Road.

Following review and discussion, Director Smith moved to approve proposal no. BL-2016-07; to trim trees along Lakes of Bridgewater and Mason Road in the amount of \$862.50. Director Kerr seconded the motion, which passed unanimously.

The Board discussed scheduling a special meeting to inspect District parks.

#### OPERATION OF DISTRICT FACILITIES

Mr. Barr reported failure of a motor on the booster pump at water plant no. 1 and said another motor was installed for \$10,500. The Board requested that the loss be submitted to the District's insurance carrier.

Mr. Barr said one of the blowers at the wastewater treatment plant is not working and will cost \$8,300 to rebuild.

Mr. Barr then reported that one of the lift pumps at the wastewater treatment plant before the bar screen lost an impeller today. Discussion ensued regarding pump replacement options to equalize flow and funds available for replacement.

The Board next reviewed a Proposed Agreed Order for effluent permit noncompliance at the District wastewater treatment plant in January through May 2015, September 2015 and December 2015 assessing a penalty in the amount of \$35,937. Discussion ensued regarding recent efforts to bring the wastewater treatment plant into compliance and options to comply with the proposed order and satisfy the penalty assessed. Following review and discussion, Director Elms moved to authorize execution of the Proposed Agreed Order, payment of the assessed penalty to the TCEQ in the amount of \$35,937 and to authorize the District bookkeeper to invoice Harris County Municipal Utility District No. 287 ("No. 287") for its share of the penalty. Director Kerr seconded the motion, which passed unanimously.

Director Elms left the meeting.

Ms. Carner presented an Interlocal Agreement between the District and Harris County Flood Control ("HCFCD") for mowing. Following review and discussion, Director Kerr moved to approve the Interlocal Agreement for mowing. Director Smith seconded the motion, which passed unanimously.

#### AMENDED RATE ORDER AND DELINQUENT LETTER

The Board next considered amending the District's Rate order to include additional utility payment options, and an amended delinquent letter. Following review and discussion, Director Smith moved to approve the proposed changes. Director Kerr seconded the motion, which passed unanimously.

## ENGINEERING MATTERS

Mr. Heisch updated the Board regarding design of proposed improvements at the wastewater treatment plant, a sinkhole repair on Ember Canyon, repair of the storm sewer under the pipeline easement at the Bridgewater Meadow detention basin, repair of a manhole on the sanitary sewer extension project on Mason Road and construction of water plant no. 3.

## SUMMER SPLASH AND WATER SMART EVENT

There was no additional discussion for this agenda item.

## ACTION LIST

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

## AGENDA FOR APRIL 2016 REGULAR MEETING

The Board confirmed its regular meeting on April 11, 2016 and discussed agenda items. The Board also confirmed special meetings on April 25, 2016 and May 31, 2016.

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

There was no additional discussion for this agenda item.

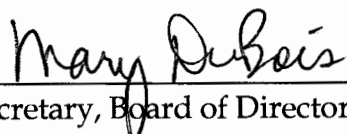
## KATY EDC 2016 PROJECT AWARDS APPRECIATION

Ms. Knoepf reviewed a proposed District submittal for the 2016 Katy Economic Development Corporation ("Katy EDC") Project Awards. Following review and discussion, Director Thornhill moved to approve the application package and authorize MSA and ABHR to submit the package to the Katy EDC on behalf of the District. The motion was seconded by Director Smith and passed unanimously.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 8:04 p.m. Director Smith seconded the motion, which passed unanimously.



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Secretary, Board of Directors