

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

May 14, 2018

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 71 (the "District") met in regular session, open to the public, on the 14th day of May, 2018, 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
Phillip Smith, Jr.	Assistant Vice President
Jennifer Elms	Assistant Secretary

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

Also present were Deputy Arhelger of the Harris County Sheriff's Office; Tracey Scott of Myrtle Cruz, Inc.; Alene Efaw of BGE, Inc. ("BGE"); Laura Flores of Tax Tech, Inc.; Ginny Woodring and Scott Barr of Regional Water Corporation ("RWC"); Nick Cooke of Mike Stone Associates ("MSA"); 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.

COMMENTS AND WEBSITE INQUIRIES FROM THE PUBLIC

Ms. Woodring and Mr. Cooke updated the Board regarding emails received through the District website and response returned to the customers making inquiries.

Ms. Carner reviewed correspondence received from Emory Daniel from McDonald Junior High requesting that the District assist with construction of portions of sidewalk across Lakes of Bridgewater from the school so the school district can install crosswalks.

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

At 6:09 p.m., the Board met in executive session to deliberate the deployment or specific occasions for implementation of security personnel or devices. The Board met with Deputy Arhelger. Ms. Carner and Ms. Miller also were present.

RE-CONVENE IN OPEN SESSION, SECURITY REPORT

At 6:23 p.m., the Board reconvened in Open Session.

PRICING PROPOSALS FOR ELECTRICITY

The Board concurred to defer discussion until the May 23, 2018 special meeting.

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

Discussion ensued regarding irrigation in Directors Park. The Board requested that Native Land Design adjust the irrigation schedule to midnight, 4:00 a.m. and a time during midday and adjust sprinkler heads as needed to minimize overspray on District trails.

Mr. Cooke reported regarding the status of design and preparation of bid specifications for fencing improvements proposed as part of the Bundy Lake Park Enhancements, including plans to notify residents affected by the project and revisions incorporated, as discussed at the April 30, 2018 special meeting. He stated Half Associates confirmed all proposed fencing along Mason Road is on or within the existing fence line. Following review and discussion, Director Elms moved to authorize Half Associates to advertise for bids construction of fencing improvements at Bundy Lake Park. The motion was seconded by Director Smith and passed by a vote of 4 to 0, with Director Kerr abstaining from voting.

Mr. Cooke next discussed a revised proposal from Saville Electric in the amount of \$10,177.50 to relocate the electric rack near the Bundy Lake Park parking lot to a secured control cabinet near the fence and screen with landscaping. Following discussion, Director Smith moved to approve the proposal. The motion was seconded by Director DuBois and passed unanimously.

The Board discussed the color for the control cabinet, which is listed on the proposal as mint green. They concurred to request MSA to confirm that the cabinet will be stainless steel and not mint green.

The Board discussed splash pad opening and operating hours. Following discussion, Director Thornhill moved to open the splash pad this weekend and then permanently for the summer season next weekend. The motion was seconded by Director Elms and passed unanimously.

GARBAGE COLLECTION AND RECYCLING

There was no discussion for this agenda item.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Flores reviewed the monthly tax assessor/collector's report, a copy of which is attached, including an update on 2017 taxes collected as of April 30, 2018.

After review and discussion, Director Kerr moved to (1) approve the tax assessor/collector's report; and (2) authorize payment of the bills presented for payment from the tax account. Director DuBois seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

RESOLUTION REQUESTING APPRAISAL OF PROPERTY AND CERTIFICATE OF ESTIMATE OF VALUE

The Board next considered requesting, by resolution, an appraisal of property within the District and a certificate of estimate of value. Following review and discussion, Director Thornhill moved to approve a Resolution Requesting Appraisal of Property and Certificate of Value and authorize the District Tax Assessor Collector to submit the resolution to the Harris County Appraisal District. The motion was seconded by Director Kerr and passed unanimously.

TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR ASSOCIATION OF WATER BOARD DIRECTORS SUMMER CONFERENCE

The Board discussed the upcoming Association of Water Board Directors ("AWBD") summer conference. After discussion, Director DuBois moved to authorize a maximum of 4 per diems, 3 hotel nights and up to \$50 per day for meals for all directors who attend the AWBD summer conference, noting that reimbursements must meet the requirements of the Travel Reimbursement Guidelines. The motion was seconded by Director Elms, and passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Scott reviewed a summary of the bookkeeper's report and investment report, copies of which are attached, and presented the bills for payment. After review and discussion, Director Kerr moved to approve the bookkeeper's report and investment report. Director Smith seconded the motion, which carried unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Woodring then distributed the operator's report, a copy of which is attached, and reviewed the operations and repairs performed in the District during the previous month. Ms. Woodring reported on pumpage numbers for April 2018 and current water and wastewater capacity, updated the Board regarding the status of additional payment options for customers through BBVA Compass Bank, and reviewed and discussed a high volume water users report for the month of April 2018.

Ms. Woodring requested authorization to repair a sinkhole at 4038 Mount Everest Way for an estimated amount of \$6,000.

Ms. Woodring next presented a leak adjustment request from Iris Gonzales at 2221 Hammerhead Court. Ms. Woodring said RWC verified it was actually a hard to read meter, replaced the customer's meter and mailed her an adjusted bill. She stated no additional action was necessary.

Ms. Woodring reviewed a flyer for the summer event on June 2, 2018, at Directors Park.

Following review and discussion, Director Smith moved to (1) approve the operator's report; and (2) authorize the District operator to repair the sinkhole at 4038 Mount Everest Way for an estimated amount of \$6,000. The motion, which was seconded by Director DuBois, passed unanimously.

TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS

Ms. Woodring updated the Board regarding customer compliance with previously approved customer payment plans.

Ms. Woodring then presented a list of delinquent customers to the Board and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board of Directors to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Kerr moved to authorize termination of delinquent accounts in accordance with the District's Rate Order, with the exception of Shirley Griffin and Caryn LeBlanc and that further taps be withheld from Censeo Homes, Royce Homes, Trophy Homes, Colina Homes, Vestalia Homes and History Maker Homes until back-charges are paid. The motion was seconded by Director DuBois and passed unanimously.

CRITICAL LOAD

Ms. Carner next reviewed the District's Critical Load List and explained that the District is required to file annually with Harris County and State agencies whether the District has made any facility or personnel changes. Ms. Carner said that the District engineer, operator and bookkeeper have reviewed the revised Critical Load List and verified that the information is accurate. She said ABHR will file the Critical Load List with Harris County and State agencies. Upon a motion by Director Smith and a second by Director DuBois, the Board voted unanimously to authorize filing of the Critical Load List with Harris County and State agencies.

CONSUMER CONFIDENCE REPORT

Ms. Woodring said the Consumer Confidence Report ("CCR") must be filed with the Texas Commission on Environmental Quality ("TCEQ") and mailed to District customers by July 1, 2018. Following review and discussion, Director Smith moved to (1) approve the CCR, subject to final review by District consultants, as discussed, and authorize the District operator to file the CCR appropriately and to provide an electronic link to District residents directing customers to a full copy of the CCR; and (2) post the updated CCR to the District website. Director DuBois seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Efaw presented the engineer's report and updated the Board regarding engineering matters and the status of current construction projects more specifically described in the attached engineer's report.

Ms. Efaw reported regarding repair of the jockey pump motor replacement at water plant no. 2 and startup of water plant no. 3.

Discussion ensued regarding signage placed by water plant no. 1 and no. 2 improvements contractor, Long & Sons, Inc.

Ms. Efaw next reported that status of construction of facilities to serve Bridgewater Meadow, Section 4 and recommended the Board approve Pay Estimate No. 7 and Final in the amount of \$18,000, payable to Crostex Construction, Inc.

Ms. Efaw next discussed and recommended that the Board accept a water meter easement from Kinmax LLC.

Following review and discussion, upon a motion by Director Elms and a second by Director DuBois, the Board voted unanimously to (1) approve the engineering report;

(2) approve Pay Estimate No. 7 and Final in the amount of \$18,000, payable to Crostex Construction, Inc. for Bridgewater Meadow, Section 4; and (3) accept a water meter easement from Kinmax LLC.

Ms. Efaw and Ms. Carner discussed a request from Harris County Municipal Utility District No. 287 ("287") for two additional points of connection for the joint water supply system. After discussion, the Board concurred to place an agenda item on the May special meeting agenda for further discussion.

SUMMER EVENT

There was no additional discussion for this agenda item.

DISTRICT WEBSITE

Discussion ensued regarding various updates to the District website, including posting splash pad summer operating hours and vacation watch information and cleaning the newsfeed.

The Board next reviewed a proposal from Off Cinco to add text message alerts to the District's mass messaging system. Following review and discussion, the Board concurred to request that Off Cinco submit a revised proposal showing the fees for users and hours after the 500 user maximum is exceeded.

DIRECTORS AND DISTRICT CONSULTANT'S REPORTS

There was no discussion for this agenda item.

ATTORNEY'S REPORT

The Board reviewed and revised the Action List and discussed and amended the status of the items listed. The Board discussed agenda items for the May special meeting.

CERTIFICATE OF ELECTION

The Board considered approving a Certificate of Election, reflecting the election of Phillip Smith and Mary DuBois to the Board of Directors of the District each for a four-year term. After review and discussion, Director Thornhill moved to approve the Certificate of Election and the distribution of same to Directors Smith and DuBois, and direct that the Certificate of Election be filed appropriately and retained in the District's official records. Director DuBois seconded the motion, which passed by unanimous vote.

DIRECTORS' SWORN STATEMENTS AND OATHS OF OFFICE

Ms. Carner reviewed the Sworn Statements and Oaths of Office for Directors Smith and DuBois.

After review and discussion, Director Thornhill moved that the Board approve the Sworn Statements and Oaths of Office and direct that the documents be filed appropriately and retained in the District's official records, and that the Oaths of Office be filed with the Secretary of State, as required by law. Director DuBois seconded the motion, which passed by unanimous vote.

REORGANIZE THE BOARD

The Board concurred to take no action on this agenda item.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the terms of the re-elected directors. Following review and discussion, Director Thornhill moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director DuBois seconded the motion, which passed by unanimous vote.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:42 p.m. Director DuBois seconded the motion, which passed unanimously.


Secretary, Board of Directors

(SEAL)



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