

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

May 23, 2018

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 23rd 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
Jennifer Elms	Assistant Secretary
Phillip Smith, Jr.	Assistant Vice President

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

Also present were Scott Barr, Steve Woodring and Ginny Woodring of Regional Water Corporation ("RWC"); Nick Cooke, Sherri Knoepful and John Fletcher of Mike Stone Associates, Inc. ("MSA"); Alene Efaw of BGE, Inc. ("BGE"); Oscar Fumero and Karen Sears of Storm Water Solutions, LP ("SWS"); Allen DeJonge of Off Cinco; John Elder of Acclaim Energy Advisors; and Katie Carner and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

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

COMMENTS AND WEBSITE INQUIRIES FROM THE PUBLIC

There was no public comment.

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 April 9, 2018 regular meeting and the April 17 and April 30, 2018, special meetings. Following review and discussion, Director Kerr moved to approve the minutes of the April 17, 2018 special meeting. The motion was seconded by Director Smith and passed unanimously. Director Elms next moved to approve the minutes of the April 9, 2018, regular meeting. The motion was seconded by Director DuBois and passed by a vote of 4 to 0, with Director Kerr abstaining

from voting. Director Smith then moved to approve the minutes of the April 30, 2018, special meeting. The motion was seconded by Director Thornhill and passed by a vote of 4 to 0, with Director Kerr abstaining.

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 and repair previously approved and underway or completed, including landscape maintenance, irrigation inspection and emergency items repaired at Directors Park and Bundy Lake Park under \$500; District detention ponds; District common areas; and the District Administration Building.

Mr. Cooke reviewed a proposal from Legacy Arbor Care in the amount of \$9,890 to trim trees at Lone Star Lake, the wastewater treatment plant, Bundy Lake and Directors Park and the adjacent Water Plant. Following review and discussion, Director Smith moved to approve the proposal for an amount not to exceed \$9,890. The motion was seconded by Director Kerr and passed unanimously.

Mr. Cooke discussed previously approved maintenance and repair work at Bundy Lake Park and reported on maintenance and repair previously approved and underway or completed. The Board reviewed coating colors and chose a pine green coating color for the control cabinet.

Mr. Cooke next discussed a pending proposal from Four Palms in the amount of \$3,335 for removal of an existing sidewalk and installation of a new sidewalk at the wastewater treatment plant and proposals from Foster Fencing for installation of either an aluminum gate for an of \$13,319.30 or a galvanized gate for an amount of \$10,921.55. Discussion ensued regarding the status of wastewater treatment plant improvements and Ms. Efaw confirmed that both the contractor and Neil Technical Services ("NTS") are finished with plant improvements. Following review and discussion, Director Smith moved to approve a proposal from Foster Fencing in the amount of \$13,319.30 to install an aluminum gate. Director Elms seconded the motion, which passed unanimously. Director Kerr then moved to authorize Four Palms to proceed with installation of a new sidewalk for an amount not to exceed \$3,335. Director DuBois seconded the motion, which passed by a unanimous vote.

Mr. Cooke reported regarding the schedule for receiving and reviewing bids for fencing improvements proposed as part of the Bundy Lake Park Enhancements. He said MSA plans to bring bid tabulations and make a recommendation of award at the June, 2018 special Board meeting. Discussion ensued regarding plans to notify residents affected by the project, including door to door notification and website posting.

Mr. Cooke updated the Board regarding the District's pending application to the Federal Emergency Management Agency ("FEMA") for reimbursement of costs for repair of the water line over Mayde Creek.

Following discussion and review, Director Smith moved to approve the Parks Management Report. Director DuBois seconded the motion, which passed unanimously.

WEBSITE MATTERS

Mr. DeJonge reviewed a proposal from off Cinco to add text message alerts to the District's mass messaging system which is revised to show the fees for users and hours after the 500 user maximum is exceeded. Discussion ensued regarding language for opt-in message for users signing up for text message alerts. Following review and discussion, Director Kerr moved to approve the revised proposal. Director DuBois seconded the motion which passed by a vote of 4 to 0, with Director Smith abstaining from voting.

PRICING PROPOSALS FOR ELECTRICITY

Mr. Elder discussed current energy market trends and reviewed pricing proposals for electricity service to begin following the termination of the District's current electricity contract with Reliant Energy. Following review and discussion, Director Smith moved to (1) approve a 60 month Retail Electricity Services Annex Agreement with the Texas General Land Office ("Texas GLO"); and (2) authorize Director Kerr to sign documents with the Texas GLO, subject to the savings parameters discussed by the Board. The motion was seconded by Director Kerr and passed by a vote of 4 to 0, with Director DuBois abstaining from voting.

REPORT FROM STORM WATER SOLUTIONS

Ms. Sears reviewed a Drainage Facilities Report, a copy of which is attached to these minutes, updated the Board regarding general maintenance, mowing and over seeding schedules and the status of previously approved repairs. Discussion ensued regarding revisions to reporting format and report distribution to Directors prior to meetings.

Ms. Sears discussed the Harris County storm water quality permit renewal process and said Harris County now requires that the District delegate authorization of an agent to act on behalf of the District. Ms. Sears reviewed a draft letter to Harris County for Board approval designating SWS as the District's agent in storm water quality permit matters. Following review and discussion, Director Smith moved to authorize execution of the letter to Harris County designating SWS as the District's

agent in storm water quality permit matters. Director Elms seconded the motion, which passed unanimously.

Following review and discussion, Director Smith moved to approve the Drainage Facilities Report. Director Kerr seconded the motion which passed by unanimous vote.

Ms. Carner next discussed the status of a payment pursuant to a Cost Sharing Agreement with Lakes of Bridgewater and Vineyard Meadow Homeowners' Associations for construction of a proposed Lakes of Bridgewater sidewalk extension.

OPERATION OF DISTRICT FACILITIES

Mr. Woodring reviewed a summary of the spring 2018 Fire Hydrant Survey and recommended repair of 2 damaged/non-functional hydrants for an estimated cost of \$750 to \$6,500 per hydrant depending upon the availability of hydrant parts. Following review and discussion, Director Thornhill moved to approve repair of the 2 hydrants for an amount not to exceed \$13,000. The motion was seconded by Director Kerr and passed unanimously.

Mr. Woodring next reviewed a tap fee calculation form for Katy Independent School District ("Katy ISD") to install an 8" water tap for a fire line to serve Golbow Elementary. Mr. Woodring stated Katy ISD has requested that the District install the tap, as discussed, prior to receipt of an executed water meter easement from Katy ISD to the District to allow the contractor to install the tap by May 29, 2018. Mr. Woodring said Katy ISD is scheduled to sign the easement at their June, 2018 Board meeting.

Mr. Woodring next requested authorization to make a tap leak repair at 21327 Riverside Ridge for an estimated amount of \$3,100.

Following review and discussion, upon a motion by Director Elms and a second by Director DuBois, the Board voted unanimously to (1) authorize the District operator to install an 8" water tap at Golbow Elementary, only after receipt of the signed easement; and (2) authorize the District operator to repair a tap line leak at 21327 Riverside Ridge for an amount not to exceed \$3,100.

ENGINEERING MATTERS

Ms. Efaw reported on the status of startup of water plant no. 3. She also reported regarding Harris County's plan to install a traffic signal at the intersection of Katy Briar Road and Mason Road and said BGE reviewed the installation plans and did not find any conflicts with the District's waterlines.

Ms. Efav next reported on the status of construction of facilities to serve Bridgewater Meadow, Section 4 and reviewed and recommended approval of Change Order No. 4 to the contract with Crostex Construction, Inc. to increase the contract in the amount of \$20,163.50. The Board determined that Change Order No. 4 is beneficial to the District. After review and discussion, Director Elms moved to approve Change Order No. 4 in the amount of \$20,163.50 as an increase to the contract with Crostex Construction, Inc., based upon the Board's finding that the Change order is beneficial to the District and the engineer's recommendation. Director DuBois seconded the motion, which passed by unanimous vote.

Ms. Carner reviewed a proposed Fourth Amendment to the Joint Water Facilities and Cost Sharing Agreement with Harris County Municipal Utility District No. 287 ("287") for two additional points of connection for the joint water supply system. After discussion, Director Elms moved to approve the Fourth Amendment to the Joint Water Facilities and Cost Sharing Agreement with 287. The motion was seconded by Director DuBois and passed unanimously.

SUMMER EVENT

The Board and consultants discussed plans and preparations for the summer event on June 2, 2018 at Directors Park.

ACTION LIST

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

AGENDA FOR JUNE 2018 REGULAR MEETING

The Board confirmed its regular meeting on June 11, 2018 and discussed agenda items for the regular meeting.

DIRECTORS' AND DISTRICT CONSULTANTS' REPORTS ABOUT DISTRICT OPERATIONS

Ms. Woodring discussed a previous inquiry regarding rental of the District Administration Building.

There being no additional business to consider, Director Thornhill moved to adjourn the meeting at 7:21 p.m. Director Smith seconded the motion, which passed unanimously.


Secretary, Board of Directors



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