

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 71

May 30, 2019

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 30th day of May, 2019, 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:

Pam Kerr	President
Katrina Thornhill	Vice President
Mary DuBois	Secretary
Michael Williams	Assistant Vice President
Jennifer Elms	Assistant Secretary

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

Also present were Steve Woodring, Scott Barr and Ginny Woodring of Regional Water Corporation ("RWC"); Nick Cooke and John Fletcher of Mike Stone Associates ("MSA"); Oscar Fumero of Storm Water Solutions, LP; Alene Efaw of BGE, Inc. ("BGE"); Nino Corbett of Compass Land Development; Jeff Lewis of BBVA Compass ("Compass"); and Whitney Higgins and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

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

AGENDA FOR JUNE, 2019 REGULAR MEETING

Director Kerr requested that the agenda for the June, 2019 regular meeting be reorganized as follows:

1. Security Report;
2. Executive session;
3. Directors and consultant's reports; and
4. Comments and website inquiries from the public.

She also discussed trying to limit the executive session with regard to security to no more than 15 minutes.

DIRECTORS AND DISTRICT CONSULTANT'S REPORTS

Director Kerr commented regarding the District potentially hosting an educational/informational event for District customers regarding District utility bills, the District Rate Order, navigating customer service and working through operating issues.

COMMENTS AND WEBSITE INQUIRIES FROM THE PUBLIC

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

Director Williams discussed a customer email reporting customer service issues with RWC. Ms. Woodring said that RWC resolved the customer's issue and is working to address customer service issues more generally.

SECURITY REPORT

There was no discussion for this agenda item.

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; DISCUSS PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY, PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE; AND CONSULT WITH ATTORNEY PURSUANT TO SECTION 551.71, TEXAS GOVERNMENT CODE

The Board determined that it was not necessary to convene in executive session.

ENGINEERING MATTERS

Mr. Corbett reported regarding the status of approval of plans for proposed development of his tract in the District.

OPERATION OF DISTRICT FACILITIES

Mr. Lewis updated the Board regarding the status of finalizing the agreements necessary for additional payment options for customers through BBVA Compass Bank, and options for possible customized messages to inform/direct customers to new payment processing options when completed and available. Discussion ensued regarding issues with timely posting of customer payments made through the Check Free payment option available through Kroger customer service centers. Ms. Woodring said she would bring information regarding the number of District customers making

payment through Check Free, Western Union and Automated Clearing House ("ACH") to the June, 2019 regular Board meeting.

REPORT FROM STORM WATER SOLUTIONS

Mr. Fumero reviewed a Drainage Facilities Report, a copy of which is attached, and updated the Board regarding general maintenance, previously approved repairs and permitting. After discussion, the Board concurred to accept the report.

MINUTES

The Board considered approving the minutes of the April 22, 2019, special meeting and the April 22, 2019, Bundy Lake Tour special meeting. Following review and discussion, Director Thornhill moved to approve the meeting minutes for the April 22, 2019, special meeting, as submitted. The motion was seconded by Director Kerr and passed unanimously. Director Thornhill next moved to approve the minutes of the April 22, 2019 Bundy Lake Tour special meeting, as amended. Director Kerr 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 Parks Management Report, a copy of which is attached, and reported on maintenance and repair work 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 first discussed previously approved maintenance and repair work at Directors Park, and presented (1) a proposal in the amount of \$5,606.48 to fill low areas throughout the park, grind stumps, removing grindings and back fill, as needed, with sand/soil mix; and (2) a proposal in the amount of \$1,135.14 to replace 2 dead trees near the playground with 45-gallon Vitex trees.

Mr. Cooke next discussed previously approved maintenance and repair work at Bundy Lake Park, and presented a proposal in the amount of \$1,594.14 to install black star gravel, fig ivy and steel edging around the electrical cabinet.

Mr. Cooke reported that punch list items pending for fencing installation project at Bundy Lake Park are complete. Mr. Cooke also said that Four Palms Construction is addressing fence leveling, as previously discussed, and said that MSA will cover any expenses with issues that fall outside the contractor's warranty. He reported that Four Seasons Development has requested additional money for demobilization costs while the District resolved right-of-entry issues with affected residents and submitted options

for payment of Pay Application No. 5. He also recommended payment of Invoice No. 0024319 from Halff Associates.

Mr. Cooke next discussed previously approved maintenance and repair work at District detention ponds/lakes and said he would bring a proposed fountain replacement report to the next special meeting.

Following review and discussion, Director Elms moved to (1) approve the Parks Management Report; (2) approve a proposal in the amount of \$5,606.48 to fill low areas throughout Directors Park, grind stumps, removing grindings and back fill, as needed, with sand/soil mix; (3) approve a proposal in the amount of \$1,135.14 to replace 2 dead trees near the playground in Directors Park with 45-gallon Vitex trees; (4) approve a proposal in the amount of \$1,594.14 to install black star gravel, fig ivy and steel edging around the electrical cabinet at Bundy Lake Park; (5) upon the recommendation of MSA, approve Pay Application No. 5(b) in the amount of \$27,825.55, payable to Four Seasons Development; and (6) approve payment of Invoice No. 0024319 from Halff Associates. Director Williams seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES (CONT'D)

Director Kerr reported that the alarm was going off at Water Plant No. 1. Mr. Woodring said that Today' Integration is working to resolve the alarm issue.

The Board also discussed a proposed meter replacement program. Director Williams moved to establish a policy for (1) replacement of 3/4" by 5/8" meters registering over 1 million gallons; and (2) replacement of 1" meters registering over 2 million gallons. The motion died for lack of a second. The Board requested that an item be placed on the June, 2019 regular meeting agenda regarding a meter replacement program and directed RWC to bring information regarding cost and time periods for implementing same.

Discussion ensued regarding publication education and notifications as part of future conversion to surface water.

CONSUMER CONFIDENCE REPORT

Discussion ensued regarding ongoing sampling at water plant no. 3 in response to a notice of violation from the Texas Commission on Environmental Quality ("TCEQ"). Mr. Woodring said that RWC will cover the additional costs for sampling required by the TCEQ as part of this monitoring violation. He stated notice of the violation would be included in the Consumer Confident Report ("CCR").

Mr. Woodring said the CCR must be filed with the TCEQ and mailed to District customers by July 1, 2019. Following review and discussion, Director Kerr moved to (1) approve the CCR, subject to final review; (2) 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 (3) post the updated CCR to the District website. Director Thornhill seconded the motion, which passed unanimously.

DISTRICT INSURANCE

The Board next reviewed a proposal from Arthur J. Gallagher & Co. with 2 options for cyber liability and security breach response coverage. Following review and discussion, Director Elms moved to approve a \$500,000 policy with an annual premium of \$2,150. Director Kerr seconded the motion, which passed unanimously.

DISTRICT WEBSITE AND ELECTRONIC COMMUNICATION MATTERS

Director Elms discussed the District's website and recommended that the Board post information regarding the District's upcoming summer event.

The Board also discussed possible translation of certain website information.

ACTION LIST AND AGENDA (CONT'D)

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 June, 2019 regular meeting.

SUMMER EVENT

The Board discussed planning and preparation for the District's summer event on August 3, 2019.

There being no additional business to consider, Director Elms moved to adjourn the meeting at 8:13 p.m. Director Thornhill seconded the motion, which passed unanimously.

(SEAL)



Mary Dubois
Secretary Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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