

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

February 1, 2017

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 359 (the "District") met in regular session, open to the public, on the 1st day of February, 2017, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

Marilyn Keys	President
Janice Lavin	Vice President
Susan Rathgeber	Secretary/Records Management Officer
Rusk Elatassi	Assistant Vice President
David Keller	Assistant Secretary

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

Also present at the meeting were Tor Persson, resident of the District; Glenn Woodson of Storm Maintenance and Monitoring ("Storm Maintenance"); Chad Abram of IDS Engineering Group ("IDS"); Lizandro Campos of Wheeler & Associates, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; and Tim Austin and Alyssa Ollwerther of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Mr. Persson inquired about the various types of berm repairs.

PRESIDENT'S COMMENTS

Director Keys discussed correspondence from a resident of the District with various government agencies that could potentially have an impact on the District. She also discussed the Association of Water Board Directors ("AWBD") winter conference.

APPROVAL OF THE MINUTES

The Board considered approving the minutes of the January 4, 2017, regular meeting. Upon a motion made by Director Lavin and seconded by Director Rathgeber, the Board voted unanimously to approve the minutes as presented.

SECURITY IN THE DISTRICT

The Board did not discuss security in the District.

APPROVE SECOND AMENDMENT TO UTILITY AND FUNCTIONS AND SERVICES ALLOCATION AGREEMENT

Mr. Austin updated the Board on communications with the City of Houston (the "City") staff regarding the Second Amendment to Utility and Functions and Services Allocation Agreement (the "Agreement"). He also reviewed the Second Amendment to Utility and Functions and Services Allocation Agreement with the Board, noting that the subject to appropriation language has been removed from the Agreement. After review and discussion, Director Lavin moved to approve the amendment, subject to the attorney's revisions. The motion was seconded by Director Elatassi and passed unanimously.

AUTHORIZE RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. Austin reported the District's insurance policies will be available for the Board's review at the next Board meeting.

FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING PAYMENT OF THE BILLS AND REVIEW OF INVESTMENTS

Mr. Hawthorne reviewed the bookkeeper's report, including a list of checks presented for payment and the quarterly investment report, copies of which are attached.

After review and discussion, Director Keller moved to approve the bookkeeper's report, investment report, and payment of the bills listed in the report. Director Lavin seconded the motion, which passed by unanimous vote.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME WITH APPROPRIATE INFORMATION DEPOSITORIES IN ACCORDANCE WITH THE DISTRICT'S CONTINUING DISCLOSURE OF INFORMATION AGREEMENT AND AS REQUIRED BY SEC RULE 15C2-12

Mr. Austin reviewed the District's annual report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. He stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access System ("EMMA"). Following review and discussion, Director Lavin moved to approve the annual report, authorize the attorney to submit the District's updated financial and operating data in compliance with the continuing disclosure provisions contained in the bond resolution through EMMA, and direct that the report be filed appropriately and retained in the District's official records. Director Rathgeber seconded the motion, which passed unanimously.

ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. Mr. Austin stated that no changes are required at this time.

AWBD WINTER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT SUMMER CONFERENCE

The Board discussed the AWBD winter conference and attendance at the AWBD summer conference. After review and discussion, Director Lavin moved to authorize all interested directors to attend the AWBD summer conference. Director Keller seconded the motion, which carried by unanimous vote.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Campos presented and reviewed the District's monthly tax report and delinquent tax roll, a copy of which is attached, reflecting that 86.78% of the District's 2016 taxes were collected as of the end of January 31, 2017.

After review and discussion, Director Rathgeber moved to approve the tax report and payment of the invoices. The motion was seconded by Director Keller and carried unanimously.

ENGINEERING MATTERS

Mr. Abram reviewed the engineer's report, a copy of which is attached.

Mr. Abram updated the Board on the stormwater detention facility capital improvement plan and berm repair. He stated that IDS has authorized Tolunay-Wong Engineers to perform additional soil sampling in the berm, so that IDS can identify the final depth of the cut-off wall. Mr. Abram added that IDS has asked Tolunay Wong Engineers to perform a slope stability analysis on the soil sample. He added that the slope stability analysis will assist IDS in determining the potential for erosion of the dry side slopes of the berm.

SURVEY OF DISTRICT PROPERTY

The Board did not take any action on this agenda item.

REVIEW CITIZEN REQUEST FOR SECURITY FENCE TO THE NORTHERN SECTION OF THE LAKE

The Board tabled discussion on this agenda item until a survey of the District property is completed and reviewed.

UPDATE ON BRAYS BAYOU TRAIL

Director Keys updated the Board on the Brays Bayou Trail.

DISCUSS CREATING FUND FOR SHADOWLAKE HOA

The Board discussed creating a fund for Shadowlake HOA. No action was taken.

REVIEW STATUS OF DETENTION POND MAINTENANCE AND MOWING

Mr. Woodson reviewed a report on the detention pond maintenance and mowing, a copy of which is attached.

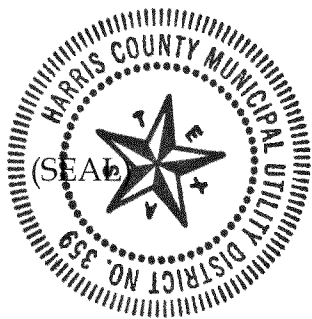
STATUS OF PREPARATION OF A PARK MASTER PLAN BY TALLEY LANDSCAPE ARCHITECTS, INC.

The Board discussed the preparation of the master park plan and Ms. Talley's presentation at the last Board meeting.

DISCUSS MARCH AGENDA ITEMS

The Board discussed items for placement on the March agenda.

There being no further business to come before the Board, the meeting adjourned.




Secretary, Board of Directors

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