

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

October 3, 2018

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 3rd day of October, 2018, 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
Neil Daniels	Vice President
David Keller	Secretary
Rusk Elatassi	Assistant Vice President
Mike Berry	Assistant Secretary

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

Also present at the meeting were Glenn Woodson of Storm Maintenance and Monitoring ("Storm Maintenance"); 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").

PRESIDENT'S COMMENTS

Director Keys noted that neither a representative from the Shadowlake Homeowners Association nor the engineer were able to attend the regular October meeting.

APPROVAL OF THE MINUTES

The Board considered approving the minutes of the September 5, 2018, regular meeting and September 12, 2018, special meeting. Upon a motion made by Director Keller and seconded by Director Elatassi, the Board voted unanimously to approve both sets of minutes as presented.

ENGINEERING MATTERS

The Board reviewed the engineer's report, submitted by IDS Engineering Group, a copy of which is attached. Discussion ensued regarding erosion control measures. 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.

The Board discussed the maintenance of the property between the West Park Tollway and the District's property. After discussion, the Board directed ABHR prepare a demand letter to Harris County Toll Road Authority ("HCTRA") regarding the maintenance of the property, pursuant to Section 7 of a letter agreement between the District and HCTRA. Mr. Woodson reported that Storm Maintenance could mow the property, one time, in the amount of \$1,200. After discussion, Director Daniels moved to approve the additional one-time mowing, in the amount of \$1,200. Director Elatassi seconded the motion, which carried with four votes in favor and Director Berry opposed.

REVIEW FINANCIAL REQUESTED FROM SHADOWLAKE HOMEOWNER'S ASSOCIATION ("SHADOWLAKE HOA")

The Board reviewed financial requests from Shadowlake HOA for various community projects in the District.

LETTER AGREEMENT(S) WITH SHADOWLAKE HOA

Mr. Austin reviewed a letter agreement between the District and the Shadowlake HOA, reflecting that the District will contribute \$60,000 for the collection of garbage for the term of one year, contingent upon the HOA funding lights, pool shades, and fence repair work, as outlined in the letter agreement. After review and discussion, Director Elatassi moved to approve and authorize execution of the letter agreement with the Shadowlake HOA and direct that the letter agreement be filed appropriately and retained in the District's official records. Director Berry seconded the motion, which carried with four votes in favor and Director Keller opposed.

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, a copy of which is 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 Berry seconded the motion, which passed by unanimous vote. The Board discussed amending the budget for fiscal year end August 31, 2019, at the next Board meeting.

CITY OF HOUSTON (THE "CITY") REBATE

The Board discussed the District's rebate from the City.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Mr. Campos stated that Wheeler & Associates, Inc. published a Notice of Public Hearing stating that the District anticipates levying a total tax rate of \$0.16 per \$100 of assessed valuation at this meeting.

Mr. Austin then opened the public hearing. No members of the public came forward to make comments. Mr. Austin then closed the public hearing.

Mr. Austin presented to the Board an Order Levying Taxes for 2018 reflecting a total tax rate of \$0.15 per \$100 of assessed valuation, comprised of \$0.08 for debt service and \$0.07 for operations and maintenance. He next presented to the Board an Amendment to Information Form reflecting the 2018 tax rate. After review and discussion, Director Elatassi moved to adopt the Order Levying Taxes as presented, approve and authorize execution of the Amendment to Information Form, and direct that the Order and the Amendment be filed appropriately and retained in the District's official records. Director Daniels seconded the motion, which passed unanimously. The Board confirmed its intention that the 2018 tax levy includes a maintenance tax component for the fiscal year ending August 30, 2019.

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 98.73% of the District's 2017 taxes were collected as of the end of September 2018. After review and discussion, Director Berry moved to approve the tax report and payment of the invoices. The motion was seconded by Director Keller and carried unanimously.

UPDATE ON BRAYS BAYOU TRAIL

There was no discussion on this agenda item.

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

The Board discussed the special meeting regarding the Master Park Plan held on September 12, 2018.

PUBLIC COMMENT

The Board reviewed a public comment submitted by Ms. Vicki May, a copy of which is attached.

MEETING SCHEDULE AND ITEMS FOR THE NEXT BOARD MEETING

The Board discussed items for the next Board meeting and concurred to its next regular meeting on November 7, 2018, at 12:30 p.m., at ABHR.

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





Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Engineer's report.....	1
Report on the detention pond maintenance and mowing.....	2
Bookkeeper's report.....	2
Tax report.....	3
Public comment.....	3