

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

January 2, 2019

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 2<sup>nd</sup> day of January, 2019, 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, except Director Elatassi, thus constituting a quorum.

Also present at the meeting were Peggy Daniels, resident of the District; Angela Howes of IDS Engineering Group ("IDS"); Glenn Woodson of Storm Maintenance and Monitoring ("Storm Maintenance"); Ray Arce of Wheeler & Associates, Inc.; Darrell Hawthorne of Municipal Accounts & Consulting, L.P.; and Tim Austin, Alyssa Ollwerther, and Gabby Gomez of Allen Boone Humphries Robinson LLP ("ABHR").

PRESIDENT'S COMMENTS

There was no discussion on this agenda item.

APPROVAL OF THE MINUTES

The Board considered approving the minutes of the December 5, 2018, regular meeting. Upon a motion made by Director Keller and seconded by Director Daniels, the Board voted unanimously to approve the minutes as presented.

ENGINEERING MATTERS

Ms. Howes reviewed the engineer's report, a copy of which is attached. 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.

Director Berry inquired about the necessity of fertilizing certain areas in the District four times a year rather than two times a year. He requested that Mr. Woodson correspond with Betsy Ross regarding the fertilization schedule recommended for the District.

#### ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Austin reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no corrective action is required at this time.

#### RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. Austin reported the District's insurance policies are due to expire on March 3, 2019, and requested the Board's direction on whether to solicit new proposals in addition to requesting the District's current insurance agent, HARCO Insurance Services ("HARCO"), obtain a renewal proposal from the Texas Municipal League ("TML"). Following discussion, Director Daniels moved to authorize ABHR to obtain a renewal proposal from TML. Director Keller seconded the motion, which passed by unanimous vote.

#### AUDIT FOR FISCAL YEAR ENDED AUGUST 31, 2018

Mr. Krueger presented and reviewed an audit for the District's fiscal year ended August 31, 2018. Following review and discussion, Director Keller made a motion to approve the audit, subject to final Board review, and authorize filing of the audit with the Texas Commission on Environmental Quality and direct that the audit be filed appropriately and retained in the District's official records. Director Berry seconded the motion, which carried unanimously.

#### 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.

#### ACCEPT ANNUAL DISCLOSURE STATEMENTS

Mr. Austin stated that in accordance with the District's Investment Policy, Mr. Darrell Hawthorne as the District's bookkeeper and Mr. Mark Burton and Ms. Ghia Lewis as the District's Investment Officers are required to execute disclosure statements that disclose any relationships with banks and brokers who seek to sell investments to

the District. He added that the Disclosure Statements will be filed with the Texas Ethics Commission. After review and discussion, Director Daniels moved to accept the Disclosure Statements pursuant to the District's Investment Policy and the Public Funds Investment Act and direct that the statement be filed appropriately and retained in the District's official records. Director Keller seconded the motion, which carried unanimously.

#### CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

The Board conducted an annual review of the District's Investment Policy and concurred that no updates were necessary at this time. Following review and discussion, Director Keys moved to adopt a Resolution Regarding Annual Review of Investment Policy reflecting that the current policy will remain in effect and direct that the Resolution be filed appropriately and retained in the District's official records. Director Daniels seconded the motion, which passed by unanimous vote.

#### REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Mr. Austin reviewed the District's Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. Mr. Austin stated that the District's bookkeeper has provided an updated list of broker/dealers for 2019. Following review and discussion, Director Keller moved to adopt a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions and direct that the Resolution be filed appropriately and retained in the District's official records. Director Daniels seconded the motion, which passed by unanimous vote.

#### CITY OF HOUSTON (THE "CITY") REBATE

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

Director Keller stated that he had made a Texas Public Information Act ("TPIA") request to the City on November 5, 2018, related to the payments the City makes to the District for water and sewer service. He stated that the City provided a cost estimate in the amount of \$248.50 for the charges related to the TPIA request. After discussion, Director Keys moved to approve the reimbursement of the charges related to the TPIA request. Director Berry seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Arce presented and reviewed the District's monthly tax report and delinquent tax roll, a copy of which is attached, reflecting that 24.58% of the District's 2018 taxes were collected as of the end of December 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

The Board discussed the status of the Brays Bayou Trail.

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

There was no discussion on this agenda item.

PUBLIC COMMENT

There were no public comments.

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 February 6, 2019, at 12:30 p.m., at ABHR.

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



  
Secretary, Board of Directors

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