

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 359

August 7, 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 7<sup>th</sup> day of August, 2019, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, 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 Bob Keys, Daniel Chavanelle, Peggy Daniels, and Tor Persson, residents of the District; Brian Krueger of BKD, LLP ("BKD"); Glenn Woodson of Storm Maintenance and Monitoring ("Storm Maintenance"); Kayla Williams of IDS Engineering Group ("IDS"); Darce' Ahlschlager 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

There were no comments from the President.

APPROVAL OF THE MINUTES

The Board considered approving the minutes of the July 10, 2019, regular meeting. Upon a motion made by Director Daniels and seconded by Director Keller, the Board voted unanimously to approve the minutes as revised.

AUDIT FOR FISCAL YEAR END AUGUST 31, 2019

Mr. Krueger reviewed BKD's proposal to prepare the audit for the fiscal year ending August 31, 2019, for an estimated fee of \$15,000, plus expenses. After review and discussion, Director Keller moved to authorize BKD to prepare the audit for the fiscal year ending August 31, 2019. The motion was seconded by Director Rusk and carried unanimously.

## ENGINEERING MATTERS

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

Discussion ensued regarding the berm repairs and the injections made by Uretek between weirs 3 and 4, rather than between weirs 2 and 3, as approved by the Board. Director Keller expressed concern that a portion of the berm work was done unnecessarily. Ms. Williams stated that she would investigate the matter further and that Matt Carpenter will report back to the Board at the September regular meeting. The Board requested that Uretek attend the September regular meeting.

Ms. Williams reported that IDS received correspondence from Harris County Toll Road Authority ("HCTRA") requested that the District enter into an agreement with HCTRA for the maintenance and mowing of the ten foot easement along the toll road. After discussion, the Board directed ABHR to prepare a maintenance agreement with HCTRA for the Board to consider at the September meeting.

## 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.

## 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.

## LETTER AGREEMENT(S) WITH SHADOWLAKE HOA

The Board discussed the possibility of entering into letter agreement(s) with the Shadowlake HOA, to make a one-time contribution to the Shadowlake HOA for the collection of garbage for the term of one year. After discussion, the Board concurred to table any action on this agenda item until the September regular meeting.

## BUDGET FOR FISCAL YEAR END AUGUST 31, 2020

Mr. Hawthorne presented and reviewed a draft budget, a copy of which is attached to the bookkeeper's report. Discussion ensued. After review and discussion, Director Daniels moved to adopt the budget for fiscal year end August 31, 2020, with the changes as discussed. Director Elatassi seconded the motion, which carried unanimously.

CITY OF HOUSTON (THE "CITY") REBATE

Director Keller updated the Board regarding the City rebate for water and sewer service.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Ahlschlager presented and reviewed the District's monthly tax report and delinquent tax roll, a copy of which is attached, reflecting that 98.49% of the District's 2018 taxes were collected as of the end of July 2019. After review and discussion, Director Elatassi moved to approve the tax report and payment of the invoices. The motion was seconded by Director Daniels and carried unanimously.

UPDATE ON BRAYS BAYOU TRAIL

Director Keys and Daniels discussed the status of the Brays Bayou Trail, including communications that the Shadowlake HOA has had with the Houston Parks Board.

PUBLIC COMMENT

Mr. Persson commented on the repairs of the berm in the District.

Mr. Chavanelle commented on the budget for fiscal year end August 31, 2020, and the potential contributions to the Shadowlake HOA.

MEETING SCHEDULE AND ITEMS FOR THE NEXT BOARD MEETING

The Board discussed items for the next Board meeting and concurred to hold its next regular meeting on September 4, 2019, at 12:30 p.m., at ABHR.

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

Director Keys discussed the status of the Master Park Plan. No action was taken.

REPORT REGARDING LEGISLATIVE MATTERS

Mr. Austin distributed ABHR's Capitol Report and reported on the activities of the 86<sup>th</sup> Texas Legislature and legislation that may impact the District.

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

  
Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

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