

MINUTES OF REGULAR MEETING OF  
SONTERRA MUNICIPAL UTILITY DISTRICT  
Thursday, January 17, 2013

STATE OF TEXAS                   §  
  §  
COUNTY OF WILLIAMSON       §

The Board of Directors of Sonterra Municipal Utility District (the "District") held a regular meeting, open to the public, at 8:00 a.m., at 113 Limestone Terrace, Jarrell, Texas, inside the boundaries of the District, on the 17<sup>th</sup> day of January, 2013, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Bill Gravell	President
John Faske	Vice President
David Chandos	Secretary
Trisha Allen	Treasurer
Darrell Goldman	Assistant Secretary

and all of said persons were present thus constituting a quorum. Also in attendance were Linda and Norman Wipff; Andy Bilger; Michael Luft of Municipal Accounts & Consulting, L.P.; Robert Anderson of Crossroads Utility Services; Mike Fisher and Mike Robinson of Baker-Aicklen and Associates, Inc.; Ashley Singh; Dan Dotson; Bob West of West, Davis and Company, LLP; and Ronald J. Freeman of Freeman & Corbett.

1. The Board first considered the minutes of the Board's December 20, 2012 meeting. After discussion, Director Faske made a motion to approve the minutes. Director Chandos seconded the motion, which the Board passed unanimously.

2. The Board then considered the Utility Operator's Report. Mr. Anderson gave a brief update on the status of facilities and services within the District.

3. Next, Mr. Luft presented a list of bills and invoices to the Board. Director Chandos made a motion to approve the bills and invoices on the Bookkeeper's Report, the supplemental list of checks, an additional amount for Ashley Singh's reimbursement, and various wire transfers as described in the report to pay the District's debt service as well as additional transfers. Director Gravell seconded the motion, which the Board passed unanimously. Copies of the list of bills and invoices, including the supplemental list, are attached as exhibits to these minutes.

4. The Board then considered the Developer's report. Mr. Bilger gave a brief update on the status of the District. No action was taken by the Board.

5. Next, the Board considered the Engineer's Report. A copy of the Engineer's Memorandum is attached as an exhibit to these minutes. Mr. Gravell reported that Naismith Engineering had advised him that the Texas Parks and Wildlife Department had approved a grant for the District of \$100,000 for park development. He suggested that he and Mr. Faske work

with Naismith and the District's other consultants, Ms. Singh and Mr. Bilger to respond to TPWD regarding the grant. The Board unanimously agreed.

6. The Board then considered assessing fees or charges to customers for extraordinary expenses incurred by District in providing service to and responding to actions by customers. After a brief discussion, no action was taken by the Board.

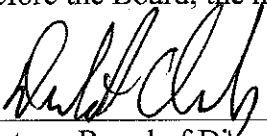
7. The Board then considered retaining a manager for the District. After discussion, the Board decided to have Mr. Faske and Mr. Gravelle continue efforts to solicit resumes from candidates, screen those candidates and report back to the Board with recommendations.

8. The Board then considered ongoing repairs to the District's Clubhouse. Ms. Singh explained that she had contacted seven companies for additional bids on fence work but has not received any bids yet.

9. The Board then considered actions related to the Corn Hill Regional Water Authority. Dan Dotson was introduced to the Board by Mr. Robinson as the proposed manager for Corn Hill Regional Water Authority. Mr. Robinson also reported that the Authority had approved a budget for \$67,000. After discussion, Director Gravelle made a motion to (1) approve the Authority hiring Dan Dotson as the Manager; (2) authorize a budget of \$67,000 for Corn Hill Regional Water Authority; (3) authorize a pro-rata sharing of budget costs with other member entities of Corn Hill Regional Water Authority; and (4) authorize a check made out to Corn Hill Regional Water Authority in the amount of \$25,000 as the District's first payment of its share of the Authority's annual budget. Director Allen seconded the motion, which the Board passed unanimously.

10. The Board then considered its annual audit. Mr. West presented the audit to the Board. After discussion, Director Gravelle made a motion to approve the District's annual audit for FY2012. Director Allen seconded the motion, which the Board passed unanimously. A copy of the audit is attached as an exhibit to these minutes.

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



\_\_\_\_\_  
Secretary, Board of Directors

