

MINUTES OF REGULAR MEETING OF
SONTERRA MUNICIPAL UTILITY DISTRICT
Thursday, May 16, 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 16th day of May, 2013, and the roll was called of the duly constituted officers and members of the Board, to-wit:

John Faske	President
David Chandos	Vice President
Darrell Goldman	Secretary
Trisha Allen	Treasurer
Dale Thornton	Assistant Secretary

and all of said persons were present, thus constituting a quorum. Also in attendance were Sheila Cunningham; Andy Bilger; Michael Luft of Municipal Accounts & Consulting, L.P.; Robert Anderson of Crossroads Utility Services; Mike Fisher, Dan Poole and Mike Robinson of Baker-Aicklen and Associates, Inc.; Jason Jones of Jones-Heroy Associates, Inc.; Garry Kimball of Specialized Public Finance, Inc; Ronald J. Freeman of Freeman & Corbett and any others as shown on the attached sign-in sheet for attendees.

1. The Board first considered the minutes of the Board’s April 18, 2013, meeting. After discussion, Director Allen 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 Allen made a motion to approve the bills and invoices on the Bookkeeper’s Report except Check No. 7341 plus approve Supplemental Checks Nos. 7376-7382. Director Goldman seconded the motion, which the Board passed unanimously. Copies of the list of checks, including supplemental checks, are attached as exhibits to these minutes.

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

5. The Board then considered the Manager’s Report. Ms. Cunningham asked the Board to consider authorizing Baker-Aicklen and Associates, Inc. to update the GIS map and not to exceed \$2,800 in cost. Director Allen made a motion to authorize Baker-Aicklen and Associates, Inc. to update the GIS map and not to exceed \$2,800 in cost. Director Goldman seconded the motion, which the Board passed unanimously.

6. Next, the Board considered the Engineer's Report. Mr. Poole requested the Board requested the Board approve the following:

Pay Estimate No. 2
Sonterra West 8E & Section III Phase 2
\$104,885.01

Change Order No. 1
Sonterra West 8E & Section III Phase 2
\$7,855.00

Director Thornton made a motion to approve the above-referenced items. Director Allen seconded the motion, which the Board passed unanimously. Copies of the Pay Estimate and Change Order are attached as exhibits to these minutes.

7. The Board then considered actions related to the Corn Hill Regional Water Authority. Mr. Robinson gave a brief update on the status of the Corn Hill Regional Water Authority. No action was taken by the Board.

8. The Board then considered the Sonterra Community Pool. Ms. Singh gave a brief update on the status of the community pool facilities. After discussion, Director Allen made a motion to authorize a supplemental check in the amount of \$5,000 for the pool fund for June salary checks and related payments. Director Goldman seconded the motion, which the Board passed unanimously.

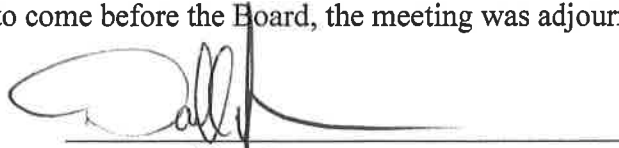
9. The Board then considered the District's Rate Order and related matters and the possible issuance of refunding bonds. The Board convened in executive session from 9:01 a.m. until 9:41 a.m. to receive legal advice from Mr. Freeman.

10. After re-convening in open session, Director Faske made a motion to approve the Fourteenth Amended Rate Order as presented by Mr. Freeman and to authorize the District's Manager and Mr. Freeman to do all things necessary to file reports or take other actions related to the changes and any past charges. Director Chandos seconded the motion, which the Board passed 4-1 with Director Allen voting against the motion.

11. Next, the Board considered a Resolution Authorizing the Issuance of Sonterra Municipal Utility District Unlimited Tax and Revenue Refunding Bonds, Series 2013; Authorizing Execution and Delivery of a Paying Agent/Registrar Agreement, Escrow Agreement and Bond Purchase Agreement; Establishing Procedures for Selling and Delivering the Bonds; and Containing Other Provisions Relating to the Issuance of the Bonds. Mr. Kimball explained the refunding process to the Board. After discussion, Director Allen made a motion to approve the Resolution Authorizing the Issuance of Sonterra Municipal Utility District Unlimited Tax and Revenue Refunding Bonds, Series 2013; Authorizing Execution and Delivery of a Paying Agent/Registrar Agreement, Escrow Agreement and Bond Purchase Agreement; Establishing Procedures for Selling and Delivering the Bonds; and Containing Other Provisions Relating to the Issuance of the Bonds and approve the engagement letters from Freeman & Corbett for bond counsel and Bracewell & Giuliani LLP for tax counsel. Director Thornton seconded the motion, which the Board passed unanimously.

12. The Board then considered a Proposal from Jones-Heroy & Associates to prepare an application to the TCEQ for the District's Bond Issue No. 4. Director Thornton made a motion to approve the Proposal from Jones-Heroy & Associates. Director Chandos seconded the motion, which the Board passed unanimously. A copy of the Proposal 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

