

MINUTES OF REGULAR MEETING OF
SONTERRA MUNICIPAL UTILITY DISTRICT
Monday, December 15, 2014

STATE OF TEXAS §
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COUNTY OF WILLIAMSON §

The Board of Directors of Sonterra Municipal Utility District (the “District”) held a regular meeting, open to the public, at 6:00 p.m., at 113 Limestone Terrace, Jarrell, Texas, inside the boundaries of the District, on the 15th day of December, 2014, 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 Tanya Clawson; Tom Schloby; Michael Luft of Municipal Accounts & Consulting, L.P.; Garry Kimball of Specialized Public Finance; Andy Bilger; Dennis Hendricks of Crossroads Utility Services; Jason Jones of Jones-Heroy & Associates; Bob West of West Davis & Associates; and Ronald J. Freeman of Freeman & Corbett. Most citizens spoke in favor of retaining Al Clawson Disposal, Inc., due to their quality of service and community involvement.

1. First, the Board heard public comments from Mr. Schloby who asked that the Board consider contracting with the Williamson County Sheriff’s office for additional patrols for the District.

2. The Board next considered the minutes of the Board’s November 17, 2014 meeting. After discussion, Director Chandos made a motion to approve the minutes. Director Allen seconded the motion, which the Board passed unanimously.

3. The Board then considered the Operator’s Report. Mr. Hendrix updated the Board on the status of the District’s facilities. He asked that the Board consider authorizing (i) work to rehabilitate Well No. 2 and (ii) work to acidize Well No. 2 and stated that he had received 4 proposals for both phases of this work. After discussion, upon a motion by Director Chandos and a second by Director Faske, the Board unanimously approved a proposal from Alpine Well Services to rehabilitate Well No. 2. Mr. Freeman noted that since the project was under \$75,000.00, the award could be made on the basis of the proposal that was most advantageous to the District, in the Board’s judgment, of the 4 proposals received. Later, upon a motion by Director Faske and a second by Director Allen, the Board authorized the General Manager to contract for an automatic switch in an amount of approximately \$2,000 for the well system.

4. The Board then considered the Bookkeeper’s Report. Mr. Luft presented a list of bills and invoices to the Board in his report and a list of four supplemental checks. He

recommended that all the items be approved. Director Allen moved to approve the bills and invoices and checks as recommended. Director Goldman seconded the motion, which the Board passed unanimously. A copy of the Bookkeeper's Report and list of supplemental checks are attached as an exhibit to these minutes.

5. The Board next considered the Developer's report. No action was taken.

6. The Board next considered the Manager's report together. No action was taken. Mr. Bilger presented the reports.

7. The Board next considered the Engineer's Report. Mr. Jones discussed the status of various projects. He then asked for Board approval of the following item:

a. Sonterra West Section 8F and Section III Phase 3, Acceptance of Facilities.

Upon a motion by Director Faske and a second by Director Chandos, the Board unanimously approved the recommendation. A copy of the engineer's report is attached as an exhibit to these minutes.

8. The Board next discussed matters related to Lone Star Regional Water Authority. Mr. Bilger for permission to discuss with the Authority the possibility of having the Authority issue bonds to be paid from by the District from the District's water and wastewater system revenues for water system improvements. The Board indicated its approval of Mr. Bilger having those discussions.

9. The Board then considered taking action to amend the District's rates and services policies to reduce the minimum monthly payment for residential customers by \$2 per month and to raise the park fee by \$1 per month. Upon a motion by Director Allen and a second by Director Goldman, the recommendation was unanimously approved. A copy of the amended rates and services policy is attached to these minutes.

10. Next, the Board considered approval of the developer reimbursement audit related to the District's \$7,500,000 Combination Unlimited Tax and Revenue Bonds, Series 2014 (the "Bonds"). Mr. West presented this item. Upon a motion by Director Allen and a second by Director Chandos, the Board unanimously approved the reimbursement audit, a copy of which is attached to these minutes.

11. Mr. Jones and Mr. Freeman then presented the Board with draft resolutions to file an application with the TCEQ to approve (i) the use of surplus funds from the Bonds and (ii) a change in the scope of the Project approved by the TCEQ in connection with the Bonds. Upon a motion by Director Thornton and a second by Director Allen, the Board unanimously approved a two resolutions, copies of which are attached to these minutes.

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



Secretary, Board of Directors