

MINUTES OF REGULAR MEETING OF  
SONTERRA MUNICIPAL UTILITY DISTRICT  
Monday, December 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 6:00 p.m., at 113 Limestone Terrace, Jarrell, Texas, inside the boundaries of the District, on the 16<sup>th</sup> day of December, 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; Robert Anderson of Crossroads Utilities; Michael Luft and Holly Gonzalez of Municipal Accounts & Consulting, L.P.; Andy Bilger; Shawn Breedlove; Jason Jones of Jones-Heroy Engineers; Bob West of West-Davis and Associates; Ashley Singh; and Ronald Freeman of Freeman & Corbett.

1. The Board first considered the minutes of the Board’s November 18, 2013 meeting. After discussion, Director Allen made a motion to approve the three sets of 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. No action was taken.

3. Next, Mr. Luft presented a list of bills and invoices (including a supplemental list) to the Board. Director Chandos made a motion to approve the bills and invoices on the Bookkeeper’s Report (except Check No. 7795 to Roadrunner Inspection Services) plus approve the list of Supplemental Checks. Director Thornton 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 reviewing the District’s Investment Policy. Mr. Luft and Mr. Freeman recommended no changes to the existing policy. Upon a motion by Director Chandos and a second by Director Allen, the Board unanimously approved renewing the District’s existing policy with no changes.

5. The Board then considered the Manager’s report related to the District’s Clubhouse facilities. Ms. Cunningham gave a brief report. Upon a motion by Director Allen and a second by Director Goldman, the Board unanimously approved award of a contract for

repairing decking at the clubhouse up to \$17,700 with the contractor to be selected by Ms. Cunningham from the three current bidders on that project.

6. Next, the Board considered the auditor's report on the annual audit of the District. Upon a motion by Director Allen and a second by Director Goldman, the Board unanimously approved the annual audit as presented by Mr. West.

7. Next the Board considered the Developer's Report. Mr. Bilger stated he had nothing new to report.

8. Next the Board considered the Manager's Report. Ms. Cunningham gave a report on various matters. Upon a motion by Director Faske and a second by Director Allen, the Board unanimously approved renewing the lease to Deborah Marquis for a term of 6 months with an new rental rate of \$200 per month. Also, upon a motion by Director Allen and a second by Director Goldman, the Board unanimously approved award of a contract to DBC Fence Company for repairs to the fence at the District's shop in the amount of \$1,261.

9. The Board next considered the Engineer's Report. Mr. Jones gave a brief report. Upon a motion by Director Allen and a second by Director Faske, the Board unanimously approved award of contracts to Smith Pump Company for \$16,023 and \$9,450 to Stence Electric for repairs at the District's Water Plant 2 site. Further, upon a motion by Director Allen and a second by Director Thornton, the Board unanimously approved Pay Estimate 1 in the amount of \$185,663.79 and Pay Estimate 2 in the amount of \$131,019.21 to McLean Construction for Sections 8F and 3 water, wastewater and drainage improvements.

10. Next, the Board considered adopting a resolution approving tax exemptions for over 65 and disabled homesteads. Ms. Allen presented information on same to the Board as did Ms. Cunningham. The Board asked that Mr. Freeman, Ms. Cunningham and Mr. Kimball further analyze the effect of any such tax exemption before the Board would take action.

11. The Board next considered matters related to the City of Jarrell's limits overlap with the District's boundaries. At 6:52 pm the Board convened in executive session to receive legal advice regarding the same. The Board ended the executive session and re-convened in open session at 7:35 pm. No action was taken in executive session. After reconvening, Director Chandos moved to include Director Thornton with him to coordinate on the agreement prior to Board approval. The motion was seconded by Director Allen and approved by vote of 4-1 with Director Faske abstaining from participation in any of the Board discussions and the vote.

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

DocuSigned by  
Nessell Holzman  
Secretary, Board of Directors

(SEAL)

