

**SONTERRA MUNICIPAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS' MEETING**

September 11, 2017

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A special meeting of the Board of Directors of Sonterra Municipal Utility District was held on September 11, 2017, within the boundaries of the District, at 113 Limestone Terrace, Jarrell, Texas. The meeting was open to the public and notice was given as required by the Texas Open Meetings Act. A copy of the Certificate of Posting of the notice is attached as **Exhibit "A"**.

All of the members of the Board were present, as follows:

John Faske	President
David Chandos	Vice President
Michael McCloskey	Secretary
Dale Thornton	Assistant Secretary
Tom Slowbe	Assistant Secretary

Also present at the meeting were Andy Bilger of Vecendario Management, LLC; Dennis Hendrix of Crossroads Utility Services ("Crossroads"); Taylor Kolmodin of Municipal Accounts and Consulting ("MAC"); Darryl Goldman; and Sue Brooks Littlefield of Armbrust & Brown, PLLC.

Director Faske called the meeting to order at 6:30 p.m. After the invocation by Director McCloskey and the Pledges of Allegiance to the United States and Texas flags, Director Faske stated that the Board would receive Director remarks and citizens communications. There being no one who wished to speak, Director Faske stated that the Board would next consider the District's 2017-2018 budget and 2017 tax rate.

Ms. Littlefield reminded the Board that the District's financial advisor, Mr. Kimball, recommended that the Board establish a tax rate of \$0.95 per \$100 assessed valuation, allocated \$0.8302 to debt service and \$0.1198 to operations and maintenance.

Director Faske then stated that the Board would conduct a public hearing on the District's 2017 tax rate. He opened the public hearing on the District's 2017 tax rate and asked if there was anyone present who wished to address the Board on the matter of the District's tax rate. There being no one, Director Faske closed the public hearing.

Director Faske stated that the Board would next consider taking action regarding the 2017-2018 budget. Ms. Kolmodin stated that there had been no changes to the proposed budget since the last meeting and that the budget would be supported by the operations and maintenance tax rate recommended by Mr. Kimball. After discussion, upon motion by Director Chandos and second by Director Thornton, the Board voted unanimously to approve the Resolution Adopting Budget attached as **Exhibit "B"**, incorporating the budget as presented.

Director Faske stated that the Board would next consider taking action regarding the District's 2017 tax rate. Director Chandos moved that the Board adopt a \$0.95 tax rate, as recommended, and approve the Order Levying Taxes attached as **Exhibit "C"**. Upon second by

Director Slowbe, the motion was adopted, with Directors Faske, Chandos, McCloskey, Slowbe and Thornton all present and voting “yes”.

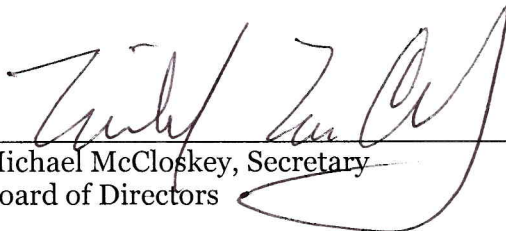
Director Faske stated that the Board would discuss a detention and easement agreement with Jarrell Independent School District (“JISD”) and Sonwest Co. Mr. Bilger explained that the JISD was providing some easement that had been requested by Sonwest Co. and had required some improvements, including oversizing of a detention pond, a drainage channel, a sidewalk, and a water and wastewater stub as consideration for the easements. He stated that JISD had required the Detention and Easement Agreement attached as **Exhibit “D”** (the “JISD Agreement”) to document the improvements that would be built. Ms. Littlefield explained that she had prepared the Agreement Regarding Detention and Easement Agreement attached as **Exhibit “E”** (the “Sonwest Agreement”) in order to confirm Sonwest Co.’s agreement to construct all of the improvements required by the JISD Agreement and to indemnify the District from any liability or responsibility for those improvements or otherwise under the JISD Agreement. Upon motion by Director Chandos and second by Thornton, the Board voted unanimously to approve the JISD Agreement and the SonWest Agreement.

Ms. Kolmodin then advised the Board that, due to the change in the Board’s regular meeting date, some routine utility bills would not be able to be paid timely unless the Board approved checks in advance or established a manager’s account for payment of these invoices. The Board directed that establishment of a manager’s account be placed on the agenda for consideration at the next Board meeting.

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



Date: September 11, 2017



Michael McCloskey, Secretary
Board of Directors