

MINUTES OF REGULAR MEETING OF
SONTERRA MUNICIPAL UTILITY DISTRICT
Thursday, December 15, 2011

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 2:00 p.m., at 113 Limestone Terrace, Jarrell, Texas, inside the boundaries of the District, on the 15th day of December, 2011, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Bill Gravell	President
Vacancy	Vice President
William Frymire	Secretary
Trisha Allen	Treasurer
Erma Wedge	Assistant Secretary

and all of said persons were present, thus constituting a quorum. Also in attendance were Andy Bilger; Michael Luft of Municipal Accounts & Consulting, L.P.; Robert Anderson of Crossroads Utility Services; Mike Fisher of Baker-Aicklen and Associates, Inc.; Isabel Fiebrich; Amie Napoli; Theron Vaughan; David Chandos; Anthony Corbett and Lauren Hughes of Freeman & Corbett.

1. First, the Board considered appointing a new director. After discussion, Director Wedge made a motion to appoint David Chandos to the Board of Directors and to approve his oath of office, statement of officer and official bond. Director Allen seconded the motion, which the Board passed unanimously.

2. The Board then considered re-organizing. Director Gravell made a motion to appoint Director Wedge as Vice President. Director Allen seconded the motion, which the Board passed unanimously. Next, Director Gravell made a motion to appoint Director Chandos as Assistant Secretary/Treasurer. Director Frymire seconded the motion, which passed unanimously.

3. Next, the Board considered the minutes of the Board’s November 17, 2011 meeting. Director Allen made a motion to approve the minutes. Director Wedge seconded the motion, which the Board passed unanimously.

4. 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.

5. Next, Mr. Luft then presented a list of bills and invoices to the Board. Director Frymire made a motion to approve the bills and invoices as recommended by Mr. Luft. Director Wedge seconded the motion, which the Board passed unanimously. Copies of the list of bills and invoices are attached as exhibits to these minutes.

6. The Board then considered the Developer's Report. Mr. Vaughan briefly updated the Board on the status of development within the District.

7. The Board then considered the Manager's Report. Mr. Bilger gave a brief update on the status of the District. Mr. Bilger informed the Board that the playground equipment was in the process of being installed.

8. Next, the Board considered the Engineer's Report. Mr. Fisher gave a brief update on the status of the District. No action was taken by the Board.

9. Next, the Board considered the wastewater flooding at the new Jarrell school. After discussion, Director Gravell made a motion to approve payment to the school's art teacher in the amount of \$400 subject to receiving a signed letter from the teacher and the school district stating that the District is not liable for any damages resulting from the wastewater flooding. Director Frymire seconded the motion, which the Board passed unanimously.

10. The Board then considered a resolution regarding taxation of goods-in-transit. After discussion, no action was taken by the Board.

11. Next, the Board considered a resolution regarding homestead taxation. After discussion, no action was taken by the Board.

12. Next, the Board considered a Resolution Authorizing Acquisition and Provision of, and Payment of Costs Related to Purchase and Use of, Personal Communication Devices and Establishing Policies Related Thereto. After discussion, Director Wedge made a motion to approve the Resolution subject to revising Section 2 to state that the directors are authorized as well as the general manager to purchase personal communication devices and receive reimbursement from the District. Director Wedge seconded the motion, which the Board passed unanimously. A copy of the Resolution is attached as an exhibit to these minutes.

There being no further business to come before the Board, Director Frymire made a motion to adjourn the meeting. Director Allen seconded the motion, which the Board passed unanimously. The meeting was adjourned at approximately 3:13 p.m.



Assistant Secretary, Board of Directors

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