

**SONTERRA MUNICIPAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTOR'S MEETING**

April 8, 2019

THE STATE OF TEXAS §
 §
COUNTY OF WILLIAMSON §

A special meeting of the Board of Directors of Sonterra Municipal Utility District was held on April 8, 2019, at 100 Congress Avenue, Suite 1300, Austin, 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"**.

The following members of the Board were present, constituting a quorum:

John Faske	-	President
Tom Slowbe	-	Vice President
Darrell Goldman	-	Secretary
Camy Lenn Reynolds	-	Assistant Secretary

Director Menashe "Manny" Akiva was absent. Also present at the meeting were Andy Bilger of Vecindario Management, LLC; Garry Kimball of Specialized Public Finance; Jason Jones of Jones Heroy & Associates ("JHA"); and Sue Brooks Littlefield of Armbrust & Brown, PLLC. Bart Fowler of McCall Parkhurst & Horton, PLLC, arrived later.

Director Faske called the meeting to order at 12:00 noon and stated that the Board would consider taking action regarding the District's \$7,580,000 Unlimited Tax and Revenue Bonds, Series 2019 (the "Bonds"). Mr. Kimball distributed the bid tabulation for the Bonds attached as **Exhibit "B"** and reviewed it with the Board. He stated that the District had received seven bids and that the winning bid of 3.13 % was much lower than the 4.75% interest rate approved by the Texas Commission on Environmental Quality ("TCEQ"). He stated that the District's bond rating had been reaffirmed, which had generated a lot of interest, and added that there was not a lot of paper in the market, plus a rally in the market had occurred that was now in its fourth month, which were all in the District's favor. Mr. Kimball recommended award of the sale of the bonds to the low bidder, Raymond James & Associates, Inc. Upon motion by Director Slowbe and second by Director Goldman, the Board voted 4-0 to approve the award of the sale as recommended.

Director Faske stated that the Board would next receive the engineer's report and recognized Mr. Jones. Mr. Jones presented Pay Estimate No. 6 from Wolff Construction, in the amount of \$30,660.98, attached as **Exhibit "C"**, and Change Order No. 4, a deduction in the amount of -\$1,337, attached as **Exhibit "D"**, for Sonterra West Section 12C Condos and Section 8 Detention Pond Improvements and recommended approval. He stated that all necessary contract close-out documentation had been received and recommended that the Board accept this project for operation and maintenance. After discussion, upon motion by Director Faske and second by Director Goldman, the Board voted 4-0 to approve the Pay Estimate and Change Order and to accept the project for operation and maintenance.

Mr. Jones then reminded the Board that Sonterra West Sections 8-O, 10-3, 11-2 and 12C Construction were four subdivisions combined into one project. He stated that there was one item left, the final work on the lift station. He noted that this project had been financed in the District's bond issue as an incomplete project and explained that the District had held back

funds for streets and utilities, which had been 36% complete at the time of the application which equated to about \$4,000,000 in funds being held back. He stated that the project was now 99% complete and so the hold back amount should be reduced. Mr. Jones then presented the letter of recommendation attached as **Exhibit “E”**, the Amended and Restated Street an Utility Construction Agreement attached as **Exhibit “F”** and the Amendment No. 1 to Agreement Regarding Hold-Back of Bond Proceeds attached as **Exhibit “G”** and recommended approval. After discussion, upon motion by Director Faske and second by Director Goldman, the Board voted 4-0 to accept the letter and to approve the Amendment and the Amended and Restated Agreement, as presented.

At this time Mr. Fowler arrived at the meeting. Mr. Fowler then reviewed the Order Authorizing the Issuance of \$7,580,000 Sonterra Municipal Utility District Unlimited Tax and Revenue Bonds, Series 2019; Levying an Ad Valorem Tax and a Pledge of Net Revenues of the District’s Waterworks and Sanitary Sewer System in Support of the Bonds; Approving Official Statement; Authorizing the Execution of a Paying Agent/Registrar Agreement; Awarding the Sale of Bonds; and Authorizing Other Matters Related to the Issuance of Bonds attached as **Exhibit “H”** and recommended approval. After discussion, upon motion by Director Faske and second by Director Slowbe, the Board voted 4-0 to approve the Order and the Amended and Restated Information Form attached as **Exhibit “I”**.

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



Date: April 8, 2019

Darrell Goldman
Secretary, Board of Directors