

**MINUTES TO A
REGULAR MEETING OF THE
BOARD OF DIRECTORS
STONEWALL WATER CONTROL AND IMPROVEMENT DISTRICT**

May 26, 2022

The Board of Directors for Stonewall Water Control and Improvement District (the “District”) met in regular session at 8:30 a.m. at the Stonewall Chamber of Commerce Building located at 250 Peach Street, Stonewall, Texas 78671, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code, whereupon the roll was called of the members of the Board, to-wit:

Nikolaus Hopkins	President
Britton Waldron	Vice President
Laurel Hoekstra	Secretary
Henry Rohlfs	Treasurer
Robert Welch	Director

All Board members were present except Mr. Henry Rohlfs. Also in attendance, Dirk Jordan (“General Counsel”), Mark Nebgen, (“Director Elect”) and Timothy Young with Professional General Management Services, Inc. (“General Management”).

1. Call to Order and Establish a Quorum.

President Hopkins, after finding the notice of the meeting was posted as required and that a quorum of the Board of Directors was present, called the meeting to order and declared it open for such business as may come before it at approximately 8:36 A.M.

2. Receive Comments from the Public.

None.

3. Property Tax Update, Presented by Scott Fair.

Gillespie County Tax Appraiser Scott Fair presented an update on the 2022 property taxes. To begin, Mr. Fair explained the appraisal process and how that will affect the District’s set rates. Mr. Fair reported a 15% increase in property values throughout the district. SWCID will likely be required to approve a lower tax rate in 2022 to limit the overall increase to the state maximum of 8%, without voter approval.

4. Approve Minutes to Previous Meeting Held on April 28, 2022

A copy of the minutes to the March regular meeting were dispersed and read.

With no corrections needed, Secretary Hoekstra moved to approve the minutes as presented. Vice-President Waldron seconded the motion. After full discussion and all voting in favor, the motion carried.

5. Payment of Current Bills and Invoices.

President Hopkins presented Treasurer Rohlfs’ report of invoices and bills to be approved this period. PGMS had no additional invoices to add for discussion. There was a discussion of adding 15%, similar to PGMS’ PSA contract, to reimbursed expenses for Board members. This reimbursement markup was not approved. Secretary Hoekstra moved to approve the bills as presented. Vice-President Waldron seconded the motion. After full discussion and all voting in favor, the motion carried.

6. Financial Statements for the Period Ending March 31, 2022.

President Hopkins presented the available financial reports. Pam Taylor, CPA has moved forward with completing the financial reports though they were not ready for review. It was reported that the SSB&T account has been closed and all monies moved to HSB by cashier's check. It was agreed that the District shall use a "Hard Key" multi-factor authentication system for access to the HSB account. Former Vice-President Waldron will be removed from the banking accounts and Director Elect, Mark Nebgen shall be added. Approval of the financials was tabled for further preparation and review.

7. Receive operations report relating to current system operational issues and take action deemed necessary thereon. (Presented by PGMS, Inc.)

Timothy Young presented the System Operations and Management Report to include (a) water accountability, (b) status of system accounts and (c) significant events. A copy of the Systems Total Report, Allocation of Receipts Exceptional Usage Report and Adjustments Report were also provided and discussed.

PGMS reports that two additional leaks have been repaired and there are no remaining repairs pending. The water loss has decreased again and expected to continue downward with additional repairs being made. With new meter reads in mid-July, we will re-evaluate the loss percentage.

There was much discussion concerning a new service in the 300 Block of Ranch Road 1. The property is located in an area where the mainline is across the street and a separate smaller line is +/- 125 feet away. To tap the mainline will require a horizontal bore, which is proving cost prohibitive. The property can be serviced from an existing two-inch pipe however tying to this line will require a line extension and easement from the neighboring property owner. PGMS has been tasked with estimating costs for both projects.

A leak at well #1 was discussed as well as the possible well or meter failure. PGMS is to make repairs where needed.

Secretary Hoekstra moved to accept the Operations and Management Report as provided. Vice-President Waldron seconded the motion and after full discussion and all voting in favor, the motion carried.


8. New Business:

- Approve 2021 – 2022 Audit Firm
 - The District will continue to contract with Atchley and Associates for the upcoming audit. The firm has added an upload portal that should prove beneficial to the District. Secretary Hoekstra moved to approve continuing with Atchley and Associates. Vice-President Waldron seconded the motion and after full discussion and all voting in favor, the motion carried.
- Set Budget Planning Meeting
 - The District will meet on June 9, 2022 do plan and discuss the 2022-2023 budget.
- Swearing in of new director(s)
 - Mr. Mark Nebgen was sworn in as the newly elected Board member.


9. Old Business – Operations Update, take action as needed.
- Approve Financial Statements for January, February, and March 2022.
 - Statements were not available for review. This item was tabled until the next regular meeting.
 - Review and Consider Approval on Invoices from Alterman
 - The District shall pay the invoice after Alterman finishes the agreed upon reprogramming of the VFDs and addition of hour meters to the booster pumps.
 - Update on Booster Pump hour meters and reprogramming.
 - Alterman Electric is scheduled to be onsite June 9th to complete this project
 - Update on Ground Storage Tanks.
 - PGMS is currently soliciting interest and information regarding the engineering, purchase, and installation of a new ground storage tank. The current tank is operating as it should.
10. Secretary's Report.
None
11. Treasurer's Report.
Completed in Financial agenda item.
13. President's Report.
None
14. Other Items
It was discussed that the District Board has received information of a more user friendly online and credit card payment system. PGMS will investigate further for the possible use of this service.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 12:25 P.M.

PASSED AND APPROVED this 23rd Day of June 2022.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



Attest, Laurel Hoekstra, Secretary
Stonewall Water Control and Improvement District