

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

June 15, 2023

The Board of Directors of the Stonewall Water Control and Improvement District (the "District") held its regular meeting at 9:00 a.m. at the Oro Bianco Italian Creamery located at 48 Ranch Road 1623, 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
Mark Nebgen	Vice-President
Laurel Hoekstra	Secretary
Henry Rohlf	Treasurer
Robert Welch	Director

All Board members were present. Also in attendance, Dirk Jordan ("General Counsel") 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 9:06 A.M.
2. Receive Comments from the Public.  
No public comment was offered.
3. Approve Minutes to Previous Meeting Held on May 11, 2023.  
Copies of the draft minutes to this meeting were presented and reviewed. A necessary correction was noted to the time of adjournment that shall be corrected prior to the next regular meeting. No vote was taken pending correction.
4. Approve Minutes to Previous Budget Workshop Held on May 24, 2023.  
Copies of the draft minutes to this meeting were presented and reviewed. No corrections were noted. Secretary Hoekstra moved to approve the payment of bills and invoices as presented. Vice-President Nebgen seconded the motion. After full discussion and all voting in favor, the motion carried.
5. Approve Minutes to Previous Special Meeting Held on June 8, 2023.  
Copies of the draft minutes to this meeting were presented and reviewed. Two necessary corrections were noted to the time of adjournment and for a typo in the body of the text that shall be corrected prior to the next regular meeting. No vote was taken pending correction.

6. Payment of Current Bills and Invoices.

Treasurer Rohlfs presented a report of invoices and bills to be approved. There were no unexpected or extraordinary bills or invoices presented and all bills pertained to the normal operation and management of the District. Secretary Hoekstra moved to approve the payment of bills and invoices as presented. Director Welch seconded the motion. After full discussion and all voting in favor, the motion carried.

7. Financial Statements for the Period Ending May 2023.

Treasurer Rohlfs presented to the Board a financial report for the period ending May 31, 2023. It was reported that the District's depreciation will now be added to the monthly financial report. Efforts continue for the correct reporting of a mislabeled journal entry from 2021. The entry will be corrected during the next annual audit that will begin in August of this year.

With no corrections needed Director Welch moved to approve the financial report as presented. Secretary Hoekstra seconded the motion and after full discussion and all voting in favor, the motion carried.

8. Receive operations report relating to current system operational issues and take action deemed necessary thereon. (Presented by Professional General Management Services, Inc.)

Management 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 presented and discussed as a matter of routine.

It was reported to the District that no additional water leaks have been reported, however monitoring will continue. The District and PGMS will continue to work towards amending the approved Drought Contingency Plan as needed moving forward.

Management reported there was one bid received for the construction of a new ground storage tank. With the District's approval, the contract will be awarded to TTE, LLC. with work beginning as soon as possible.

PGMS was tasked with obtaining a cost estimate for a new Hydrant Meter with Backflow protection.

PGMS was also tasked with expediting the replacement of the 2" galvanized pump piping.

The list of Past-Due customers was discussed in some detail. There are several accounts that have gone past the 90 days past due mark and are eligible for collections. These accounts may also be "written off", if approved, during the next annual audit. A pending work list was also provided. Secretary Hoekstra moved to approve the management report. Vice-President Nebgen seconded the motion. After full discussion and all voting in favor, the motion carried.

9. Old Business – Operations update. take action as needed.

- Review and approve 2023/2024 Budget.

The 2023/2024 budget was discussed in detail. With no questions or concerns, Vice-President Nebgen moved to approve the 2023/2024 annual budget as presented. Secretary Hoekstra seconded the motion and after full discussion and all voting in favor, the motion carried.

- Update on the VFD hydrant.

It is reported that the hydrant has been moved and returned to service. PGMS has been tasked with adding two (2) metal protective bollards to prevent accidental impacts and damage.

- Update on GST Progress

The District, through Burgess-Niple, received one bid for construction of the new GST. If approved, TTE, LLC shall begin work as soon as possible.

- Update on Highway 290 Expansion

TXDOT, HDR, PGMS, Burgess-Niple and District members have held weekly update meetings concerning the expansion project. Some conflicts have been removed from the list as they will have 24+ inches of ground cover after construction has been completed. There are still approximately 4,100 feet of pipeline that will need to be relocated.

Additionally, Vice-President Nebgen has made contact to the TWICC team to begin the funding process.

Counsel Jordan has made contact to state and local representatives advocating for funding assistance to the District in this line relocating project.

- Update to TCEQ Water Capacity

TCEQ has responded back that there is nothing they can do without an exemption to the capacity rule. At this time an exemption may not be needed however, PGMS will talk to the District engineers about this and any outcomes that will not severely impact the District or its customers.

10. Secretary's Report.

Secretary Hoekstra indicated they had nothing further to report.

11. Treasurer's Report.


Treasurer Rohlfs indicated they had nothing further to report.


12. President's Report.  
President Hopkins indicated they had nothing further to report.
13. Other matters as may come before the Board and take action necessary thereon.
- The date for next month's regular meeting was set for July 20, 2023, at 9:00 AM.
  - No other items were discussed.

President Hopkins asked if any further business needs to be brought forward. No additional matters were brought forward.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 10:25 A. M.

PASSED AND APPROVED this 20<sup>th</sup> Day of July 2023.

  
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Nikolaus Hopkins, President  
Stonewall Water Control and Improvement District

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