

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

November 16, 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 Rohlfs	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 9:05 A.M.
2. Receive Comments from the Public.
No public comment was offered.
3. Approve Minutes to Workshop Meeting Held on October 5, 2023.
Copies of the draft minutes to this meeting were presented and reviewed. Treasurer Rohlfs moved to approve the Minutes as presented. Vice-President Nebgen seconded the motion. After full discussion and all voting in favor, the motion carried.
4. Approve Minutes to Previous Regular Meeting Held on October 19, 2023.
Copies of the draft minutes to this meeting were presented and reviewed. Secretary Hoekstra moved to approve the Minutes as presented. Treasurer Rohlfs seconded the motion. After full discussion and all voting in favor, the motion carried.
5. Payment of Current Bills and Invoices.
Treasurer Rohlfs presented a report on invoices and bills to be approved for this period. An invoice from Woerner Electric for repair work at well #1 was discussed in detail. A new check scanner was needed and purchased by Treasurer Rohlfs, who will be reimbursed. There were no other 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. Vice-President Nebgen seconded the motion. After full discussion and all voting in favor, the motion carried.

6. Financial Statements for the Period Ending October 31, 2023.

Treasurer Rohlfs presented to the Board a financial report for the period ending October 2023. With no corrections needed, Secretary Hoekstra moved to approve the financial report as presented. Vice-President Nebgen seconded the motion and after full discussion and all voting in favor, the motion carried.

7. 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. The District and PGMS will continue to work towards amending the finalizing the Drought Contingency Plan for review and approval at the next regular meeting. Water use by the Arrowhead Creek Vineyards continues to decline but is still excessive. PGMS will continue to contact these customers and require a reduction in use in accordance with drought policy and use restrictions.

PGMS was tasked with expediting the replacement of the 2" galvanized pump piping. All parts have arrived except the needed 2" butterfly valves. Once they arrive, the project will be scheduled.

A pending work list was also provided. Vice-President Nebgen moved to approve the management report, Treasurer Rohlfs seconded the motion. After full discussion and all voting in favor, the motion carried.

10. Old Business – Operations update, take action as needed.

- Update on Drought Plan and High-Water Users.

The Draft Drought Contingency Plan now includes language to maintain similar drought stages as the Hill County Underground Water Conservation (HCUWCD). This will minimize confusion when implementing drought stages. Any language of fines shall be removed but utilizing flow restrictors and service termination will remain. A Draft of the final plan will be presented at the next regular meeting for review and approval.

- Update on Meter Located at 1623 Strip Center.

PGMS is to draft a letter to the tenants of Mr. Scott informing them of the unauthorized connection they are currently using. The same letter will also be sent to the managers of the businesses as well as the Gillespie County offices.

- Update on the VFD Emergency Fill Hydrant.

There is no update to the emergency fill valve.

- Update on GST Progress
Burgess-Niple has received the data acquired through the Geo-Technical survey. That information has been reviewed and an estimated cost of engineering and supervision has been submitted by Picket, Kelm and Associates, Inc.
- Update on Highway 290 Expansion
TXDOT and their contractors have submitted the most recent line locate data to Burgess-Niple and updates to the conflict list will be ready soon. PGMS has located all isolation valves in the project zone and will continue locating all outside the zone. The valve caps will be painted blue for easy identification.
- Update on Grant Progress and SP2125 Application.
Vice-President Nebgen reported that the Stonewall WCID application for funding was approved for the amount of \$625,000.

12. Secretary's Report.
None

13. Treasurer's Report.
Treasurer Rohlf reported to the Board that the 2022 annual audit has been completed and was presented for approval. After approval by the District, the audit report shall be submitted to the TCEQ. The only corrections made in the audit were items previously accounted for but were not categorized correctly. It was also reported that changes to Contractor Standards will require long-term contractors to District contractors. Secretary Hoekstra moved to approve the financial audit as presented. Vice-President Nebgen seconded the motion and after full discussion and all voting in favor, the motion carried.

14. President's Report.
It was reported that a customer of the District who has maintained a past due balance will make full payment and have their services restored.

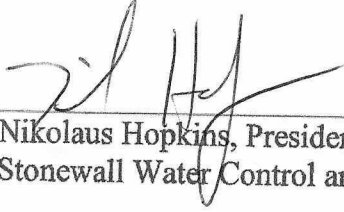
15. Other matters as may come before the Board and take action necessary thereon.

- The date for next month's regular meeting was set for December 21, 2023, at 9:00 AM.
- No other items were discussed.

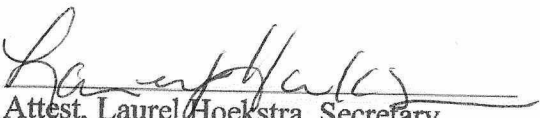
President Hopkins asked if any further business needs to be brought forward. No additional matters were brought forward.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 10:32 A. M.

PASSED AND APPROVED this 21st Day of December 2023.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



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