

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

March 21, 2024

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
Louis Eckert	Director

All Board members were present. Also in attendance, Mr. 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.  
None.
3. Approve Minutes to Previous Regular Meeting Held on February 22, 2024.  
Copies of the draft minutes to this meeting were presented and reviewed. With no corrections noted, Treasurer Rohlf moved to approve the January minutes as presented. Secretary Hoekstra seconded the motion. After full discussion and all voting in favor, the motion carried.
4. Payment of Current Bills and Invoices.  
Treasurer Rohlf presented a report on invoices and bills to be approved for this period. 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.

5. Financial Statements for the Period Ending January 31, 2024.  
Treasurer Rohlf presented to the Board Year-to-Date financial reports for the periods ending January 31, 2024, and February 29, 2024. Treasurer Rohlf reported that the District is in great financial shape and is prepared for the Highway 290 expansion project. With no corrections noted, Secretary Hoekstra moved to approve the YTD financials ending January 2024. Vice-President Nebgen seconded the motion and after full discussion and all voting in favor, the motion carried.
  
6. Financial Statements for the Period Ending February 29, 2024.  
Vice-President Nebgen moved to approve the YTD financial statements ending February 2024. Director Eckert 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 one additional water leak was reported and repaired on Cemetery Dr. Water use by the vineyards decreased in the last month. PGMS will continue to monitor higher use customers and require a reduction in that use in accordance with drought policy and use restrictions.

Daniel Hester, of Affordable Pump Solutions, has completed replumbing the booster pump header pipe. Two butterfly valves, two unions and hard piping was added making the pump station much more resilient.

PGMS has tested the generator and the backup power system worked as expected.

Two items concerning the new GST construction were discussed in detail. During the excavation of natural fill for the new GST, a PVC service line was damaged on two separate occasions. The first can be considered an accident as the line was not known nor marked. However, the contractors were made aware of the water line as well as its path through the project area. Despite the notice, contractors broke the line again. It is recommended that the District request TTE, LLC to reimburse the District for costs relating to damage done to the water line during the second occurrence.

Additionally, within the contract between the District and TTE LLC, for construction of the new GST, there are expenses to be paid by the District to transport the removed natural fill by truck to a facility north of Austin. It was discovered that the spoils were not trucked to their facility but instead to Fred Burg's property only a few hundred yards from the project site. The District has asked that a reduction in the contract total be made to consider the costs saved by not delivering the spoils to their site.

Secretary Hoekstra moved to approve the management report, Treasurer Rohlf's seconded the motion. After full discussion and all voting in favor, the motion carried.

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

- Update on Meter Located at 1623 Strip Center.  
No update was presented. This letter shall be completed as soon as possible.
- Update on the VFD Emergency Fill Hydrant.  
There is no update to the emergency fill valve.
- Update on GST Progress  
TTE LLC., has removed natural fill dirt in the foundation area as directed by the project plans. The retaining beam was dug out but before the rebar was set it was discovered that the foundation pad sat nine inches too low. Through meetings with TTE LLC., and Burgess Niple, it was agreed that the concrete ring should be installed to a level equal to the original tank. New, taller rebar stirrups were ordered and will be installed. Concrete will be poured immediately after.
- Update on Highway 290 Expansion  
The District has executed and submitted to TXDOT the Standard Utility Agreement. They will submit follow-up documents as requested by TXDOT or District engineers.

Reimbursements made to the District will be made as work is completed and not one lump sum during or after the project. Mark Nebgen, representing the District Board, and Management staff will continue to report expenses as they're incurred to expedite the reimbursement of District funds.

TXDOT shall be contacted to memorialize the reimbursement process for costs paid by the District directly.

- Update on Grant Progress and SP2125 Application.  
Preliminary estimated costs have soared according to TXDOT. Originally budgeted at approximately \$650,000, new estimates have increased nearly \$1.5 Million. TXDOT has assured the District that this increase will be reimbursed. No further update.

9. Secretary's Report.

None

13. Treasurer's Report.

None.

14. President's Report.

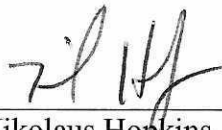
None.

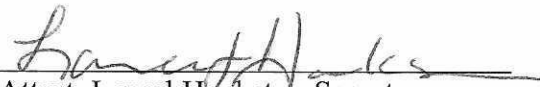
15. Other matters as may come before the Board and take action necessary thereon.
- PGMS will work to draft a District Newsletter to pass information concerning the Highway 290 project, the new GST project, The search for additional water sources and any other items that customers should be made aware of.
  - Two new developments in the Stonewall area have submitted applications to discharge treated wastewater effluent into the Pedernales River water shed. The Board will consider forming an official opinion of the District. No opinion was made during this meeting.
  - The date for next month's regular meeting was set for April 18, 2024, 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 11:06 A.M.

PASSED AND APPROVED this 18<sup>th</sup> Day of April 2024.

  
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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