

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

May 16, 2024

The Board of Directors of the Stonewall Water Control and Improvement District (the "District") held a 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 |
| Louis Eckert | Director |

All Board members were present. Also in attendance was 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 9:11 A.M.
2. Receive Comments from the Public.
There was no public comment offered.
3. Corrected Minutes to previous meeting held on March 21, 2024.
The minutes to this meeting was presented as corrected. Treasurer Rohlfs moved to approve the minutes as corrected. Secretary Hoekstra seconded the motion. After full discussion and all voting in favor, the motion carried.
4. Minutes to previous meeting held on April 18, 2024.
Draft minutes to this meeting was presented and discussed. Treasurer Rohlfs moved to approve the minutes as presented. Secretary Hoekstra seconded the motion. After full discussion and all voting in favor, the motion carried.
5. Payment of Current Bills and Invoices.
Treasurer Rohlfs presented the invoices to be approved for this period and discussed those invoices in some detail. Secretary Hoekstra moved to approve the 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 April 30, 2024.
Treasurer Rohlfs presented the financial reports for the period ending April 2024, to include a Balance Sheet and a Profit and Loss Statement. Secretary Hoekstra moved to approve the financial statements as presented. Director Eckert seconded the motion. After full discussion, 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.

An update on the current drought conditions was reported. The District continues in a Stage 2 Drought Condition. Management will continue to monitor the drought conditions and make recommended changes as may be needed.

Management also reported on the TxDOT Highway 290 Project. Meetings with TxDOT officials have continued to discuss different topics. TxDOT contractors have begun roadway excavation within the District's service area. PGMS, Inc. will continue to meet with the contractors as needed to discuss possible pipe relocation for the duration of this project.

The new ground storage tank continues as a work in process at this time. Several delays were reported due to parts to the foundation. In addition, recent rainfall has led to delays with the project. Management continues to work with the contractors as the need arises.

A pending worklist was also presented. Secretary Hoekstra moved to approve the management report as presented. Treasurer Rohlf's seconded the motion. After full discussion and all voting in favor, the motion carried.

8. New Business.

- Update TTE Contract – dirt dumping and leak repairs.
TTE was responsible for another break on Sunday, May 26, 2024, Memorial Day weekend. The contractor will need to be billed for this new repair and other repairs previously caused by the contractor.
- Leak adjustment policy. A leak adjustment policy was previously submitted for consideration by the Board of Directors. Management was asked to provide a cost to produce water. Secretary Hoekstra moved to approve the leak adjustment policy as presented. Treasurer Rohlf's seconded the motion. After full discussion and all voting in favor, the motion carried.

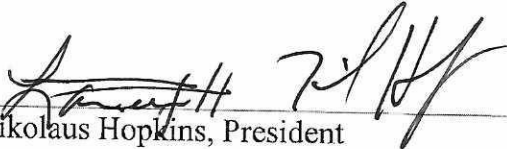
9. Old Business – Operations Update. take action as needed.

- Update on meter located at 1623 Strip Center – Management indicated this is being researched for a resolution. The options are to require individual meters or to upsize to a two inch meter and install backflow prevention. The property owner will be so advised.
- Update on artwork for marketing collateral -
- Update on ground storage tank / emergency fill valve. The contractor will install this valve.
- Update on TxDOT, Hwy 290 expansion. – this item was previously discussed with the management report. The RULIS application has not yet been approved.
- Update on Grant progress / Reimbursement of funds. Vice President Nebgen reported there is an issue with establishing an account on the "RULIS" website and will continue to work through the issues to establish an account. It was also reported that reimbursement of funds will take about 45 days.

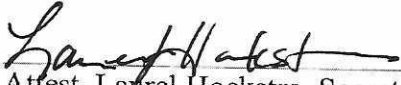
10. Secretary's Report.
Secretary Hoekstra indicated there is nothing further to report.
11. Treasurer's Report.
Treasurer Rohlf indicated there was nothing more to report.
12. President's Report.
President Hopkins indicated there is nothing further to report.
13. Other matters as may come before the Board and take action necessary thereon.
No additional matters were brought forward.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 10.11 A.M.

PASSED AND APPROVED this 20th Day of June 2024.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



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