

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

November 17, 2022

The Board of Directors for Stonewall Water Control and Improvement District (the "District") met in regular session at 9:00 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
Mark Nebgen	Vice-President
Laurel Hockstra	Secretary
Henry Rohlfs	Treasurer
Robert Welch	Director

A quorum of Board members was 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.
Vice-President Nebgen, 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 9:10 A.M.
2. Receive Comments from the Public.
No public comment was offered.
3. Approve Minutes to Previous Meeting Held on October 20, 2022.
A copy of the minutes to the October 20th regular meeting were dispersed and read. With no corrections needed, Treasurer Rohlfs moved to approve the minutes. Secretary Hockstra seconded the motion. After full discussion and all voting in favor, the motion carried.
4. Payment of Current Bills and Invoices.
Treasurer Rohlfs presented a report of invoices and bills, totaling \$14,379.32 to be approved for this period. PGMS had no additional invoices to add for discussion. All bills and invoices pertained to the normal function of the District. Secretary Hockstra moved to approve the bills as presented. Director Welch seconded the motion. After full discussion and all voting in favor, the motion carried.
5. Financial Statements for the Period Ending October 31, 2022.
Treasurer Rohlfs presented the financial reports for October 2022 for review, including District Income and Expense Report and Balance Sheet. All financial reports reconcile correctly with the District's bank statements. The District's Profit and Loss report is accurate with no corrections needed. Secretary Hockstra moved to accept the Financial Reports as presented. Director Welch seconded the motion and after full discussion and all voting in favor, the motion carried.

6. 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 no new leaks were reported during the last month. There are currently no known leaks within the distribution system.

The air release valve for well #1 has failed and is leaking Water by on a regular basis. PGMS disassembled and cleaned the ARV but it is worn past repair. The valve shall be replaced as soon as possible.

Secretary Hoekstra moved to approve the operations report as presented. Treasurer Rohlf's seconded the motion and after full discussion and everyone voting in favor, The motion carried.

Old Pending Tasks:

- Move Hydrant #18 at VFD The area has been surveyed, utility locate request made and completed, and the TXDOT permit application has been made. Pending final approval from VFD.
- Compile a list of all properties that require backflow prevention and report to the Board. - Work in progress
- Research any secondary water sources - Work in progress
- Send conservation letters to the top water users - Continuing Project
- Recommend Updates to the District's Drought Contingency Plan - Work in progress
- Continue Cleanup of Plant yard - Ongoing
- Post 20% reduction signs -

New Pending Tasks:

- Re-Insulate Well Head as needed to prevent freezing.
- Contact local well companies and/or hydrologists for information pertaining to groundwater availability.

7. New Business:

- No new business was discussed

8. Old Business:

- Update on Audit: The audit is moving forward as expected. Atchley and Associates will present the final audit at the District's December regular meeting for review and comment.
- Through thorough research, Treasurer Rohlf's has discovered that most banks do not work with governmental agencies' investments. TexPool has shown to be the best option as they offer multiple investment options that do not conflict with the District's public funds investment policy. The District shall move a one-time lump sum amount of \$750,000 to TexPool for investment. Director Welch moved to approve opening an investment account with TexPool and moving \$750,000 to the new account. Secretary Hoekstra seconded the motion and after full discussion and all voting in favor, the motion carried.

- Update to Drought Status: The District continues to see the effects of the current drought. The recent rains and well repairs have eased the strain to the water system, but continued conservation efforts are needed. The District will have signs posted throughout the system to aid in the ongoing conservation messaging.
- Update on Engineers Contract: An executed contract for services pertaining to the design and construction of a new ground storage tank was sent to Burgess Niple. They have requested an on-site meeting take place, prior to the new year, to begin design.
- Director Health Concerns: Additional concerns of Director absenteeism were discussed. District Counsel provided assurances that the District's current Bylaws contain policies for the removal of Directors, if needed, that have missed three consecutive meetings and that no additional amendments are needed at this time.

9. Secretary's Report.
None

10. Treasurer's Report.

- Treasurer Rohlf reported to the Board the expected fees imposed by Gillespie County for the collection and disbursement of property tax revenues will be \$2,043.52 and 4,777.37 for the 2022 – 2023 fiscal year.
- Treasurer Rohlf recommended that service contracts be in place for ongoing services such as Bookkeeping, mowing, etc.

11. President's Report.

- None

12. Other Items

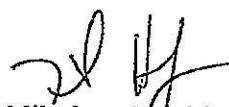
- None.

Closed Session:

- None.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 10:19 A.M.

PASSED AND APPROVED this 15th Day of December 2022.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



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