

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

April 20, 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 except Director Welch. 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 9:00 A.M.
2. Receive Comments from the Public.
No public comment was offered.
3. Approve Minutes to Previous Meeting Held on March 16, 2023.
Copies of the draft minutes to this meeting were presented and reviewed. 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.
4. Payment of Current Bills and Invoices.
Treasurer Rohlfs presented a report of invoices and bills to be approved. Treasurer Rohlfs reported that TWCA has invoiced the District for approximately half of their total invoice and today's payment will cover the remainder. It was also reported that new checks have been ordered for 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 March 2023.
Treasurer Rohlfs presented the financial reports for this period and discussed those reports in some detail. It is reported that the Randolph Brooks account has been closed and will be recorded as such upon completion of the current audit. There was also discussion about performing a six-month budget review in the next few months. Secretary Hoekstra moved to approve the financial statements and report as presented. Vice-President Nebgen seconded the motion. 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 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 an additional water leak has been repaired and monitoring will continue. The District and PGMS will continue to work towards amending the approved Drought Contingency Plan as needed moving forward.

Management reported the plans for the new ground storage tank were submitted to TCEQ for review with an estimated review date set for mid-May. Burgess Niple shall begin the bidding process so the construction may begin immediately following TCEQ approval.

PGMS is to re-pipe each booster pump with continuous galvanized pipe and remove all compression fittings as soon as possible. PGMS shall investigate the water connection and use for the new commercial development at FM 1623S and Highway 290. The potential demand and use of water shall also be investigated at the former Woodrose Winery for potential annexation and water servicing. The District's Board has continued developing and following any leads for possible placement of a new production well. TXDOT as well as neighboring landowners have not followed through on potential water rights talks. A pending work list was also provided. Treasurer Rohlf's moved to approve the management report. Vice-President Nebgen seconded the motion. After full discussion and all voting in favor, the motion carried.

7. New Business:

- No new business to report.

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

- Update on SVFD Hydrant Move.

The project will be scheduled immediately.

- Update on Ground Storage Tank.

As previously discussed, drawings for the new GST have been submitted to the TCEQ with an estimated review date of mid-May. Burgess Niple shall be directed to begin the bid process during TCEQ review. This will allow the District to immediately move forward upon approval. Engineering does not expect any delays based on the drawings.

- Update on Highway 290 Expansion
Patrick King met virtually with TXDOT representatives to further discuss the potential conflicts and impact to the District's infrastructure. TXDOT has asked that all potential conflicts be excavated and measured. TXDOT and PGMS have worked out an agreement to allow TXDOT contractors, LCRA, to locate these conflicts with their hydro-vac truck when they finish a similar project outside the District's boundaries. PGMS will have a technician on-site during this project in the event some damage occurs. The District shall be updated to all changes.
- Update to TCEO Water Capacity
PGMS has resubmitted a capacity study completed by CMA Engineering in completed in 2014. This study demonstrates that the Peachtree RV Park requires the capacity of 14 and 10 LUEs respective of the two meters serving the property. We are currently waiting for a response.

9. Secretary's Report.

Secretary Hoekstra indicated they had nothing further to report.

10. Treasurer's Report.

Treasurer Rohlf reported that the TXPOOL account is open and funded with a transfer of \$750,000 and is earning a rate of 4.7% APY. Additionally, Mr. Rohlf asked us to set up a Budget Workshop in the next month.

12. President's Report.

President Hopkins asked that aquifer levels continue to be added as part of the regular meeting materials.

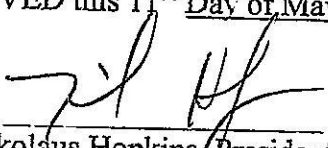
13. Other matters as may come before the Board and take action necessary thereon.

- The date for next month's regular meeting was set for May 11, 2023, at 9:00 AM.
- No other items were discussed.

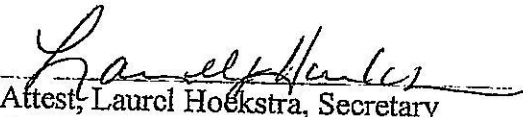
President Hopkins asked if any further business needs to be brought forward. No additional matters were brought forward.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately March 10:15 A. M.

PASSED AND APPROVED this 11th Day of May 2023.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



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