

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

October 17, 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 Stonewall Volunteer Fire Department located at 14854 US Highway 290, 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 except Secretary Hoekstra. Also in attendance was Dirk Jordan ("General Counsel") and Patrick King 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 9:04 A.M.

2. Receive Comments from the Public.

No public comment was given.

3. Minutes to August 22, 2024, Special Meeting

Draft minutes to this special meeting were presented and discussed. With no corrections needed, Treasurer Rohlfs moved to approve the minutes. Director Eckert seconded the motion. After full discussion and all voting in favor, the motion carried.

4. Minutes to September 25, 2024, Special Meeting

Draft minutes to this special meeting were presented and discussed. With no corrections needed, Treasurer Rohlfs moved to approve the minutes. Director Eckert seconded the motion. After full discussion and all voting in favor, the motion carried.

5. Minutes to September 19, 2024 Regular Meeting

Draft minutes to this special meeting were presented and discussed. With no corrections needed, Treasurer Rohlfs moved to approve the minutes. Director Eckert seconded the motion. After full discussion and all voting in favor, the motion carried.

6. Payment of Current Bills and Invoices.

Treasurer Rohlfs presented the invoices to be approved for this period and discussed those invoices in some detail. Treasurer Rohlfs reported that a payment for telephone reimbursement did not show on the monthly invoices. Additional discussion focused on extra sampling related

to the Highway 290 project, and related costs. With no extraordinary bills or invoices, Vice-President Nebgen moved to approve the invoices as presented. Director Eckert seconded the motion. After full discussion and all voting in favor, the motion carried.

7. Financial Statements for the Period Ending September 30, 2024.

Treasurer Rohlfs presented the financial reports for the period ending September 30, 2024, to include a Balance Sheet and a Profit and Loss Statement.

Treasurer Rohlfs reported that District auditors were delayed but will post system depreciations soon. These will be updated as the auditors make them available. Additionally, earned interest will be posted as an annual lump sum at maturity.

It was also reported that the District's financial institutions have pledged assurance for any funds over \$250,000 in any one account.

The District shall continue to submit reimbursement requests to TXDOT for expenses relating to the Highway 290 Project. No update has been made from TXDOT.

Vice-President Nebgen moved to approve the financial statements as presented. Director Eckert seconded the motion. After full discussion, the motion carried.

8. 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. Despite the lack of rain in the last reporting period, the District's aquifer has leveled off and is not currently declining, indicating heavy nearby use has subsided.

Management also reported on the TxDOT Highway 290 Project. Since the last meeting, 1,200 feet of 6" and 8" pipeline has been installed, tested, disinfected, sampled and put into service. During the Keystone/Highway 290 tie in, an unmanageable amount of water continued to flood the work site resulting in the required shutting of an additional valve. This caused an unexpected/un-noticed outage for several customers. Due to the size of outage, a special sample was collected and analyzed to verify the absence of bacteria.

TTE LLC and Superior Tank returned to the plant site and abated all leaks on the new GST. The tank area has shown no signs of additional leaks and has been placed into service. During the five days in service, no issues have been noted. PGMS see no reason not to release retainage.

Treasurer Rohlfs moved to approve the management report as presented. Director Eckert seconded the motion. After full discussion and all voting in favor, the motion carried.

9. New Business.

- Residential meter rules

- PGMS to provide an LUE conversion chart similar to the City of Austin to aid in the adoption of standardized capacity policies.

- Procedures for Routine Leak Repairs

- PGMS shall submit documentation indicating where service lines have been replaced. In areas of repeat failures, PGMS will submit estimated costs for wholesale replacement. This will continue street by street until all old HDPB lines have been replaced.

- Approve Drinking Fountain/Bottle Filler

- The District will share the costs of a newly installed drinking water fountain and bottle filler. Vice-President Nebgen moved to approve funds, not to exceed \$1,500. Treasurer Rohlfs seconded the motion and after full discussion and all voting in favor, the motion carried.

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

- Update on meter located at 1623 Strip Center – No action was taken
- Update on ground storage tank / emergency fill valve. The contractor has been given a punchout list to be completed prior to the release of retainage funds.
- Update on TxDOT, Hwy 290 expansion. – The Highway 290 project has continued with minimal delays. PGMS will continue to invoice separately for any time spent on this project.
- Update on Grant progress / Reimbursement of funds. Treasurer Rohlfs has made the District's first request for reimbursement. No further update was available.
- Update on Old GST. PGMS has been tasked with locating professional inspectors/Divers to inspect the old GST and make recommendations on any necessary repairs.
- Update on Well Progress No update.

11. Secretary's Report.

None.

12. Treasurer's Report.

An issue with a customer's billing has been addressed. It was also reported that the District's investment rate will likely drop to 4.5% in the near future.

13. President's Report.

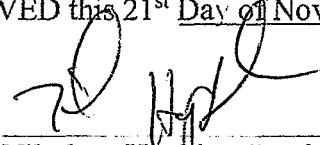
None

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

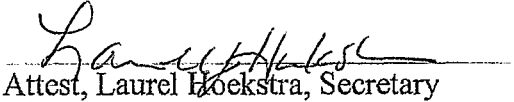
A plaque or other signage shall be purchased to commemorate the completion of the District's new 110,000 gallon ground storage tank.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned at approximately 10:41 A.M.

PASSED AND APPROVED this 21st Day of November 2024.



Nikolaus Hopkins, President
Stonewall Water Control and Improvement District



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