

**MINUTES FROM THE
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT
BOARD MEETING
March 8, 2022**

The Cypress Springs Special Utility District Board of Directors met Tuesday, March 8, 2022 in the Board Room of the Cypress Springs Special Utility District Office located at 114 FM 115 for their monthly meeting.

Director's Present: President Neuman Browning, Vice President Larry Daniel, Secretary Treasurer Lloyd Parker, Director Richard Starek, Director Jack Kemp, Director Chad Neal, Director Brad Sears, Director Jerry Hammond, Director Rex Tillery, Director Richard Hughes and Director Todd Jagers

Director's Absent: n/a

Also Present: General Manager Kevin Spence and Office Manager Jean Sparks and customer Mrs. EV Hansen

President Neuman Browning asked if everyone had read the Minutes from the February 8, 2022 Board Meeting. After reviewing the Minutes, a motion was made by Vice President Larry Daniel and seconded by Director Rex Tillery to approve the Minutes from February 8, 2022 as written. Motion carried with no dissent.

President Neuman Browning asked if the Board had reviewed the Treasurer's Report and were there any questions. A motion was made by Director Richard Hughes and seconded by Director Jerry Hammond to approve the Treasurer's Report as shown. Motion carried with no dissent.

President Neuman Browning asked if everyone had reviewed both the Aged Payables and the Petty Cash Checking Account. A motion was made by Director Chad Neal and seconded by Director Todd Jagers to approve the Aged Payables and to replenish the Petty Cash Checking Account to \$20,000.00. Motion carried with no dissent.

President Neuman Browning asked if there are any public comments. No other visitors present.

Manager's Reports / Unfinished Business:

Manager Kevin Spence reported we had to replace the inside and outside AC units. The units are 13 years old and have had fixes done over the last few years. Found the problem in the upstairs unit coils leaking and coming through the ceiling in the file room.

Manager Kevin Spence reported after speaking with Keith Kindle with Peoples Telephone about the new terms and the agreement that they want to look for other options. Did share that they could leave their equipment there until other arrangements were made so it wouldn't disrupt service to any of their customers and just continue to pay the lease. Hopefully they will have other arrangements by the end of year so we are able to recoat the water tower. We did have another disruption causing an emergency call out for our employee to have to stay all night to monitor the plant alerts.

Manager Kevin Spence reported attending Cornersville WSC board meeting on February 16, 2022. TRWA circuit writer was also in attendance giving them ideas how to improve and be efficient with their rates. The Office Manager did give notice and will be leaving May or June. The pilot meter used 366,800 gal of water due to a customer of theirs having a leak. Pickton WSC President Dully Morgan, got another bid on electrical since chlorinator doesn't kick on correctly causing problems.

Manager Kevin Spence reported CDs renewed at the same 0.2% February 28, 2022 with a 90-day review. Several local banks offer rates for 1 year for 1.11%. Will check into same terms at current CD location.

Manager Kevin Spence reported construction account is still growing although with price increases on everything we may have to put a cap on amount transferred each month. Pipe prices will not even be quoted until it is actually delivered.

Manager Kevin Spence reported meeting with Judge Lee and county grant representative to discuss the government funds for a generator we are needing for the north lake structure and the line upgrade out north. Have been added to the Commissioners Court Agenda on March 14, 2022 to answer any questions they may have about our request.

Manager Kevin Spence reported Community Development Block Grant for FM 2723 is going out for bids and will be in The Winnsboro Newspaper for two consecutive weeks March 10th and 17th. March 29, 2022 at 2:00 P.M. will have the bid opening here at the office. At the April 12, 2022 board meeting review the bids by C.S.S.U.D. On April 25, 2022 will go back to Commissioners Court to present bids and have them sign off on bids that have been voted on at our board meeting. This would be a 12" water line in the right away from FM 3122 over to FM 115 to be able to bypass a facility to another facility when needed to fix /repair larger jobs.

Manager Kevin Spence reported TCEQ inspection went great. They were here two days instead of three and not one inspection violation. Only thing mentioned, which we do not use any more, was the well dug over by booster 1 before the south plant was built but you either have to cap it or plug it but it was turned over to Eddie Rhoads for fire protection with the condition to run it at least once every 5 years.

Manager's Reports / New Business:

Manager Kevin Spence reported all Oaths of Office were done making Director Neuman Browning, Director Lloyd Parker and Director Rex Tillery re-elected.

Manager Kevin Spence asked for nominations for electing officers for President, Vice President, and Secretary Treasurer. After discussion time a motion was made by Director Jack Kemp and seconded by Director Chad Neal to keep Neuman Browning as President, a motion was made by Director Richard Hughes and seconded by Director Jerry Hammond to keep Larry Daniel as Vice President, a motion was made by Director Neuman Browning and seconded by Director Jack Kemp to keep Lloyd Parker as Secretary Treasurer. Motions carried with no dissents.

President Neuman Browning asked if Mrs. Hansen would like to wait until we got to the agendas new business items to make her presentation or present first. Mrs. Hansen requested to move up so she could leave after presenting since she was driving back to Frisco tonight. President Neuman Browning gave Mrs. Hansen the floor to speak. Mrs. Hansen proceeded by giving background information on when they first did a lease purchase agreement in 1995 on a lake lot and since then acquiring 178 more acres across the street for all the exotic animals they have on the property here, starting to become part of the community more, hoping to start building a home here after their new veterinary clinic they just built takes off in Frisco and moving here full time with her husband within the next few years. Spoke about learning about lake patrol and having an incident with them causing her to become familiar with the laws for living on the lake here and paying her fine with the Franklin County Water District. Mrs. Hansen proceeded with handing out three copies, to pass around, of a spreadsheet of the monthly expenses she/her ranch pays each month along with copies of her letters sent to C.S.S.U.D for the board members to review. She had spoken with the office and had written a letter to Mr. Spence requesting a penalty along with accruing late fees to be removed, which was denied since had been waived two times before. The response made her want to bring it before the board since she was getting no where with Mr. Spence. If she was late all the time, she could understand not waiving the penalty but since she's not late all the time she does not see the problem since they have had service since 1995 plus, she cannot control the postal service just as C.S.S.U.D cannot. Mrs. Hansen thanked the board saying she was glad she came no matter the outcome. Board members made sure she was aware of all her paying options. President Neuman Browning thanked Mrs. Hansen for coming and she would be notified of the board's decision.

After discussion a motion was made by Vice President Larry Daniel and seconded by Director Rex Tillery to not waive any of the late fees. Motion carried with no dissent.

Page 3

Manager Kevin Spence reported the map in front of them is of lot 4 Eldorado Bay showing water line running right through the middle of the lot and you can't tell by looking at the map but the lake has been dredged out between lots 4 and 35. Our line actually runs along the road if you look at the dotted lines penciled in. This easement is still on record at the county and when Manager Dave Wideman of the Franklin County Water District got it, he denied the boat house plans because of this easement. We will not use this easement as it is intended, customer is requesting a signed waiver allowing them to build boat house at location desired. A motion was made by Vice President Larry Daniel and seconded by Director Jerry Hammond to sign waiver Resolution 2022-1 allowing them to use this easement for the boat house build. Motion carried with no dissent.

Manager Kevin Spence reported wording in the policy states emergency or bereavement leave and would like to change to personal days. After discussion a motion was made by Director Chad Neal and seconded by Director Jack Kemp to change policy wording to personal days. Motion carried with no dissent.

Manager Kevin Spence reported leaving a copy of agenda for the Sabine River Basin Authority stockholders meeting for all the directors in case anyone was interested in attending.

President Neuman Browning appointed Secretary Treasurer Lloyd Parker as delegate and Vice President Larry Daniel as alternate for April TRWA conference.

There being no further business a motion was made by Vice President Larry Daniel and seconded by Director Richard Hughes to adjourn the meeting at 7:00 PM. Motion carried with no dissent.

Approved

Date