

**MINUTES FROM THE
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT
BOARD MEETING
April 12, 2022**

The Cypress Springs Special Utility District Board of Directors met Tuesday, April 12, 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 and Director Richard Hughes

Director's Absent: Director Todd Jagers

Also Present: General Manager Kevin Spence and Office Manager Jean Sparks

President Neuman Browning asked if everyone had read the Minutes from the March 8, 2022 Board Meeting. After reviewing the Minutes, a motion was made by Director Richard Starek and seconded by Director Jerry Hammond to approve the Minutes from March 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 Vice President Larry Daniel and seconded by Director Rex Tillery 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 Secretary Treasurer Lloyd Parker and seconded by Director Jack Kemp 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 visitors present.

Manager's Reports / Unfinished Business:

Manager Kevin Spence reported having a trailer built for the south plant and received it today. It turned out nice with dual 8,000 lb. axle with 16,000 lb. capacity diamond plated w/ expanded metal bottom. Sam Mears is interested in buying an old gooseneck trailer that has not been used in years and the old trailer the current generator is on.

Manager Kevin Spence reported office generator transfer switch is not working, thinking it is from getting wet. Having someone replace with a whole new transfer switch so there is no trouble moving forward and it will be reliable. Currently electrical is not in a water-proof box, so installing a roof and putting some kind of fencing around it to keep secure.

Manager Kevin Spence reported speaking with master meter representative, Chris Coleman, at the convention about all the meters having to be replaced and what we have been seeing. Had a house on Highway 11 that the house burnt down and when went to remove service found that the transmitter was actually registering water being used but sending incorrect readings resulting in around 125,000 gallons of water not billed to the customer over time. There have been a couple other meters we had questioned doing the same thing. He said he had not heard of this before. Goal will be to manual read all the meters by the end of summer to make sure all transmitters are transmitting correct readings/usage. Also, plan on speaking with Master Meter since it is becoming more difficult to get replacement meters and/or transmitters due to supply chain issues to see if we can possibility order in larger bulk if we could get a discount on the meters, so we have them if we come across this situation again.

Manager Kevin Spence reported putting an ad in The Winnsboro Newspaper for office help. Will keep everyone posted.

Manager Kevin Spence reported Cornersville WSC is searching for a new manager. Our employee Jeremy Deas has applied for the job and has been interviewed for the position. Depending on who they hire, it could affect the maintenance agreement that is in place.

Manager Kevin Spence reported not transferring money into the construction account this month being end of the quarter and with operating costs up.

Manager Kevin Spence reported attending Commissioners Court where the county voted unanimously giving grant funds of \$125,000 as requested, \$75,000 for a used generator and \$50,000 towards setting up the electrical for the generator at the north lake pump structure.

Manager Kevin Spence reported the Rural Water Conference last week went very well and was at a beautiful location. It was the first time to have all the different tracks since this is the only governance conference this year. Directors liked information from tracks regarding increasing rates in small increments for additional planning for future improvements or projects, to not set rates compared to just companies close to you not knowing their circumstances or they may not been in the same situations as you are, to have a reserve and not pay everything off, hearing what other companies 3 year and 10 year plans were and how some boards micro manage by dividing up operations and field with a board director for each to work with a manager, round table talks were good, was interesting to hear different effects on water shortage especially with all the new very large houses, yards, pools and ranches being built to provide for. Board members believe it would be good to set time aside and take a tour of all the facilities to be familiar with them and it would be helpful to send out a weekly email on the finances, plant and field operations to keep the board informed.

Manager Kevin Spence reported Community Development Block Grant for FM 2723 had only 1 bid submitted from D&D Pipeline Consultants, LLC for \$505,155.00 that we will have to make the difference up of \$234,755.00. After discussion a motion was made by Vice President Larry Daniel and seconded by Director Jack Kemp to recommend to awarding the bid to D&D Pipeline Consultants, LLC and submit them in Commissioners Court to the county for approval. Motion carried with no dissent. A motion was made by Vice President Larry Daniel and seconded by Director Richard Starek for C.S.S.U.D. to provide the remainder of the funds the Community Development Block Grant does not provide in the amount of \$234,755.00. Motion carried with no dissent.

Manager's Reports / New Business:

Manager Kevin Spence reported he and Raegan Swann will be attending the TCDRS Conference July 21-22, 2022 in Austin. Since this covers retirement benefits, it would be beneficial for the Secretary Treasurer, Lloyd Parker to attend also if he can.

Manager Kevin Spence reported finding on social media, a development that is under construction on CR 3070. According to the legend it will include campsites, playground, 6 food truck stalls, shopping, restaurant and concert venue, but has not contacted us about water availability. Just today had another customer come in inquiring about putting in 40 RV lots on FM 2723. Development does not seem to be slowing down.

There being no further business a motion was made by Vice President Larry Daniel and seconded by Director Rex Tillery to adjourn the meeting at 6:15 PM. Motion carried with no dissent.

Approved

Date