

**MINUTES FROM THE  
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT  
BOARD MEETING  
July 10, 2023**

**The Cypress Springs Special Utility District** Board of Directors met on Monday, July 10, 2023, in the Board Room of the Cypress Springs Special Utility District Office located at 114 FM 115 for their monthly meeting.

**Directors Present:** President Larry Daniel, Secretary-Treasurer Lloyd Parker, Vice President Richard Starek, Director Jerry Hammond, Director Neuman Browning, Director Brad Sears, Director Richard Hughes, Director Jack Kemp, and Director Rex Tillery

**Directors Absent:** Director Todd Jagers and Director Chad Neal

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

**Public Attendance Consisted of:** Gary Marrow and Mike Rambin

**Public Comment:** None

**President Larry Daniel** asked for a motion and a second to approve consent items. A motion was made by Director Rex Tillery and seconded by Director Neuman Browning to accept the Minutes from June 13, 2023, as written, Treasurer's Report and Aged Payables/Replenish Petty Cash Checking to \$20,000.00. Motion carried with no dissent.

**Manager's Reports / Unfinished Business:**

**Manager Kevin Spence** reported on July 16th, lightning struck and destroyed the new pump and variable feed drive at Pine Valley Well. A1 Wells in Winnsboro replaced the damaged components and provided a warranty for the well pumps. A new variable feed drive was purchased, and labor was used to replace it all was not covered.

**Manager Kevin Spence** reported Samson Utility has laid approximately 2,000 feet of 8-inch pipe on FM 115. They were able to dig the most difficult stretch that was originally going to require boring, saving around \$30,000. Samson Utility hopes to be completed by next month's meeting.

**Manager Kevin Spence** reported after Two of the three Ford Mavericks ordered last September have been received. The third Maverick will be reordered on July 17, 2023. We may need other trucks and equipment before the year ends, so we won't have to purchase them when the Maverick arrives.

**Manager Kevin Spence** reported Hayes Engineering advertised for closed bids on the 100,000-gallon elevated tank on FM 115 in last week's newspaper. Hopefully, we will receive at least three bids.

**Manager Kevin Spence** reported during the June board meeting of Cornersville WSC, only three out of five directors attended. They discussed the procedures and construction necessary to install an 8" line to complete the dedicated fill line for Well One Elevated Tank. The initial bid for this project was around \$22,000 two years ago, but the new bid is now around \$32,500. The board voted to proceed with the project and the materials have been ordered. Pickton WSC is currently experiencing electrical issues, created by the July 16 storm. Their well has outdated components resulting in us being forced to manually operate the well. They have received bids from their electrician for necessary upgrades and repairs. Both Cornersville and Pickton have been late the last few months paying invoices for services rendered.

**Manager Kevin Spence** reported the CDs currently held at Guaranty Bank will be up for renewal in September and will begin getting interest rates from other banks in the area to compare to Guaranty Bank interest rates.

**Manager Kevin Spence** reported Chase Palmer, an attorney from Marshall, has completed the necessary documentation required by Rural Development and has been sent to Jackie Brown. Mr. Palmer will provide local attorney services for the duration of the construction phase of the project.

**Manager Kevin Spence** reported progress on changing the current meters to Kamstrup meters is good. Representatives came back last week to address some issues and provide extra training for field technicians.

### **Manager's Reports / New Business:**

**Manager Kevin Spence** reported During the four-day power outage caused by the storm on June 16, all facilities that had generators were using them. Unfortunately, three of the six large generators we own experienced issues during the power outage.

Saturday morning, the generator at North Plant experienced motor issues and stopped working on Saturday morning. As a result, it was necessary to rent a generator for three days at a cost of approximately \$9,000. The mechanic who inspected the generator suggested that it could be repaired, but the estimated cost for repair is around \$25,000. Given that the generator is approximately 60 years old, it may be more advisable to replace it instead. The East Plant generator worked great but failed to start back up after it was shut down to check the oil. Luckily, the electricity was restored before it became necessary. The starter relay was replaced, and the repair was successful.

The generator for the East Plant Lake pump was in operation from June 16th at 8 a.m. until June 18th at approximately 8 p.m. However, it failed to generate power after 8 p.m. on June 18th. To ensure a temporary power supply, the Texas Department of Emergency Management provided a generator until power was fully restored on June 20th at around 6 p.m. The district's generator needs a replacement voltage regulator, which has already been ordered.

The generator we received from Franklin County for the North Plant lake pump worked flawlessly.

The generator at the South Plant performed well, but it does have a problem with excessive blow-by. The generator at the main office functioned flawlessly. It kicked in automatically on the morning of June 16 and operated until power was reinstated on June 20th at approximately 6 p.m.

**Manager Kevin Spence** reported During a power outage emergency in Franklin County, the Texas Department of Emergency Management (TDEM) provided exceptional assistance. Not only did they offer services to the citizens of Franklin County, but they also delivered two generators to Cypress Springs S.U.D. within only eight hours. TDEM utilized the main office board room as their emergency operating center for two days, proving to be an invaluable resource. Judge Scott Lee, Sheriff Ricky Jones, deputies, Fire Chief Colin Clasby, and emergency coordinator Tim Dial worked closely with TDEM to ensure the generators were delivered and even provided diesel and gas on Monday and Tuesday. During the outage, we provided water to the City of Mount Vernon for approximately 28 hours.

**Manager Kevin Spence** reported in consideration for the power outage in June, that we have waived the penalty and administrative fees for that month for our customers, as we understand that everyone was affected by the outage.

### **Other Business That May Arise:**

**Manager Kevin Spence** reported finding a used 330kw generator at Mall Energy in Longview for the replacement at the North Plant. It's a 2015 model with 5,400 hours for \$48,000. A motion was made by Director Neuman Browning and seconded by Director Richard Hughes to purchase the used 330kw generator at Mall Energy for the North Plant. Motion carried with no dissent.

**There being** no further business a motion was made by Director Neuman Browning and seconded by Director Chad Neal to adjourn the meeting at 6:15 PM. Motion carried with no dissent.