

**MINUTES FROM THE  
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT  
BOARD MEETING  
August 8, 2023**

**The Cypress Springs Special Utility District** Board of Directors met on Monday, August 8, 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 Jack Kemp, Director Todd Jagers, Director Chad Neal, and Director Rex Tillery

**Directors Absent:** Director Richard Hughes

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

**Public Attendance Consisted of:** Gary Marrow, Mike Rambin, Time Seymore, and David Stubblefield

**Invocation:** Vice President Richard Starek

**Public Comment:** Mr. Mike Rambin expressed concerns about the lack of backup water sources in the area. He cited Phoenix, AZ, and Desert City, CA as examples. He met with the City Council and plans to meet with the Franklin County Water District, the City of Mount Vernon, and the county. Rambin is requesting C.S.S.U.D. to start planning a sustainability plan together. Specifically, he is concerned with commercial developments like solar, sod growers, and industry in Franklin County. He wants to ensure they are not using lake resources for greywater and purple water. Mr. Rambin requests that everyone take heed of his advice and hopefully get on board. Secretary-Treasurer Lloyd Parker endorses the construction of Marvin Nichols Reservoir. The reservoir will flood some woodlands, but it will also serve as a backup water supply in the future for the area. Mr. Rambin expressed his gratitude to the board for listening to him.

**President Larry Daniel** asked for a motion and a second to approve consent items. A motion was made by Director Chad Neal and seconded by Vice President Richard Starek to accept the Minutes from July 10, 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** presented pictures of the new and old generators for the North Plant. Ran the generator for six hours to check fuel consumption and identify any issues.

**Manager Kevin Spence** Stan Hayes from Hayes Engineering submitted blind bids on August 1, 2023, for the proposed elevated storage tank. The bids were much higher than expected. Maguire Arch bid was \$1,086,200.00, Phoenix Fabricators & Erectors bid was \$1,107,146.00 and Caldwell Tanks bid was \$935,500.00. Caldwell Tanks bid came in \$150,700.00 lower than the other bids received. After discussion, a motion was made by Director Neuman Browning and seconded by Director Rex Tillery to accept the bid from Caldwell Tanks for the elevated storage tank at \$935,500.00. Motion carried with no dissent.

**Manager Kevin Spence** Presented pictures of the 8-inch line being laid on FM 115. The work is about 75% complete, but the excessive heat has shortened workdays and around 18-20 locates come in daily.

**Manager Kevin Spence** reported filling the field positions. Andrew Kernell was hired on July 21, 2023, he is doing well and Robert May will be starting August 11, 2023.

**Manager Kevin Spence** Reported upcoming contracts with Cornersville WSC (6 months) and Pickton WSC (3 months) will include a 10% late penalty for payments not made in the same month as the invoice. The pipe for the well-fill line has been ordered and delivered, and the need to flush has increased in recent months, which is typical during the summer. Pickton WSC's electrical problems will be partially covered by their insurance.

**Manager Kevin Spence** reported there are enough funds for the 8-inch line work and elevated tank bid, and Alliance Bank has bid 5% for a 13-month CD, which is more than double our current rate of 2.05% from September 2022. CD rates have increased in July and may rise again in August.

**Manager Kevin Spence** reported The topographic survey began on Wednesday, focusing on the line work areas of FM 115 and FM 900. It is expected to be completed by Friday, August 4, 2023.

**Manager Kevin Spence** reported the last two collectors were installed, one on the Mount Vernon water tower and the old booster station east of Hagensport. At this time, we have around 500 Kamstrup meters installed.

**President Larry Daniel** gave Mr. Tim Seymore the floor to discuss his RV development on Hwy 37. However, instead of speaking for himself, Mr. Seymore had Mr. David Stubblefield, who helps him with real estate matters, speak on his behalf. Mr. Stubblefield explained that Mr. Seymore purchased the land for the RV park before fully understanding the details of the project, leading to some steps being taken out of order. After investigating the original plan for septic systems in each tiny home and RV spot, it was discovered that the cost would be too high so started searching for a different route leading to the City of Mount Vernon. Below is Mr. Stubblefield's recap of the steps taken over the past few months involving Mr. Seymore, C.S.S.U.D., and the City of Mount Vernon City Manager Craig Lindholm.

Mr. Seymore received a quote of \$130,000 from C.S.S.U.D. the engineer submitted to install water lines. However, Kevin offered a lower cost of \$88,000 with C.S.S.U.D. employees laying the water line to be able to supply service to his development. As C.S.S.U.D. does not handle sewer, Mr. Seymore contacted the City of Mount Vernon. City Manager Craig Lindholm offered for free at no cost to Mr. Seymore to provide water, sewer, trash, fire hydrants, police, and emergency services to Mr. Seymore's development if C.S.S.U.D. would allow the city to annex the property into the city limits. Mr. Stubblefield stated the request from C.S.S.U.D. is inappropriate to stipulate the developer move the existing water lines. Mr. Stubblefield also stated if C.S.S.U.D. did not voluntarily allow the city to annex the property according to the statute, they can file a petition and eventually will get the right to annex the property, it may take time, but they will file, leaving the possibility of the state coming back reporting water line worthless/obsolete. There is no reason for Mr. Seymore to pay to have the C.S.S.U.D. water line moved with C.S.S.U.D. still having access to it. Kevin confirmed that dealing with the P.U.C. was his job and that he understood all the procedures. After the board's discussion, it was agreed that Mr. Seymore had three options: to have C.S.S.U.D. become the water provider for the development, relocate the existing C.S.S.U.D. water line at his cost, or file with the P.U.C on changing CCN area.

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

**Manager Kevin Spence** reported the efficiency of the East Plant's filters is 30% lower than that of the North Plant. Hayes Engineering is exploring the addition of a backwash pump and line work to improve efficiency, reduce chemical usage, and increase daily output.

**Manager Kevin Spence** reported instead of employees wearing their own shirts, the company will issue uniform shirts for a more professional look. T-shirts will be ordered for now, and dress shirts are being considered. The company has also ordered hats with brims to protect employees from the sun.

**Manager Kevin Spence** reported The post office has increased their fees for the third time this year. To encourage customers to switch to eBilling, the board agreed to offer an incentive for signing up for eBills. However, customers will have to remain signed up for twelve consecutive months, otherwise, the credit will be added back to their account. Then was asked to investigate an app that allows for click-and-pay transactions.

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

**There being** no further business a motion was made by Director Chad Neal and seconded by Vice President Richard Starek to adjourn the meeting at 6:45 PM. Motion carried with no dissent.