

**MINUTES FROM THE
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT
BOARD MEETING
December 13, 2022**

The Cypress Springs Special Utility District Board of Directors met Tuesday, December 13, 2022, in the Board Room of the Cypress Springs Special Utility District Office located at 114 FM 115 for their monthly meeting.

Directors Present: President Neuman Browning, Vice President Larry Daniel, Director Jack Kemp, Director Richard Starek, Director Chad Neal, Director Brad Sears, Director Jerry Hammond, and Director Rex Tillery

Directors Absent: Secretary Treasurer Lloyd Parker, Director Todd Jagers, and Director Richard Hughes

Also Present: General Manager Kevin Spence and Office Manager Jean Sparks, Bookkeeper Raegan Swann
Public attendance consisted of: Gary and Kathy Boren, Gary Morrow, Mike Rabin, and Mary McLennon

Invocation: Vice President Larry Daniel

President Neuman Browning asked if everyone had read the Minutes from the December 2, 2022, date Special Board Meeting, date correction from agenda. After reviewing the Minutes, a motion was made by Director Richard Starek and seconded by Director Jack Kemp to approve the Minutes from December 2, 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 Rex Tillery 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 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. Mr. Mike Rabin asked if President Neuman Browning would he answer a question. President Neuman Browning confirmed he would. Mr. Rabin asked when our elections were. President Neuman Browning handed question over to General Manager Kevin Spence, in which he responded the elections are to be held in February, if necessary, notice is published in the newspapers, documents are hung on the company bulletin board on the exterior of our building, and posted on the Secretary of State website.

Manager's Reports / Unfinished Business:

Manager Kevin Spence reported TCEQ pump capacity violation for the South Plant is scheduled to be completed before April 2023, our new deadline for the upgrades to be completed.

Manager Kevin Spence reported meeting with Kamstrup November 17, 2022. The entire AMI meter reading equipment has been delivered. The collector installations should begin next week and expect to take 10 days to install weather permitting. Some of the original locations for the collectors may change; have spoken with the sheriff and will request to be added on the next Commissioners Court Agenda in December requesting to have collectors installed on county tower. Jean Sparks has been speaking with Scott Bashaw and CUSI to prepare the software integration for a seamless process. The City of Marshall has now purchased over 10,000 Kamstrup units and over 600 of them being 2" meters.

Manager Kevin Spence reported the transfer switch for the generator at the north lake pump is now installed and ready for use if needed. The building surrounding the generator is ninety percent completed. The south lake structure still has no generator but has a reservoir on site for any problems that would arise. The generator located at the office is not cranking and will need a technician to look at it.

Manager Kevin Spence reported the new office landscaping has been completed and looks great. All the plants are dwarfs and should stay below the windows and be low maintenance. The accent pieces added to the planters was a

wonderful touch by the contractor. Also, the board room window that was cracked has been replaced and looks great.

Manager Kevin Spence reported the coating of the elevated tank at Lowe's is over eighty percent completed with an estimated three more days until completion, weather permitting. With the rain delays it has created the project to take extra time and work causing possible increase in price.

Manager Kevin Spence reported maintenance agreements are going well with Cornersville W.S.C. and Pickton W.S.C. End of the year reports were given to Cornersville W.S.C. manager to present to their board at their next board meeting. Presented for both W.S.C.'s the proposed maintenance rate increases of 5.357% for 2023. Pickton W.S.C. is still in violation with the TECQ, even though they have been presented with several options to rectify the violations.

Manager Kevin Spence reported the Revenue Note and Resolution from Guaranty Bank & Trust for Kamstrup AMI system was voted on and approved at our special called meeting on December 2, 2022. The loan paperwork will be signed at the meeting tonight and delivered back to Guaranty Bank & Trust tomorrow morning.

Manager Kevin Spence reported the Rural Development is requiring us to hold a Public Meeting for the north plant upgrade. The notice will be submitted to the Winnsboro and Mount Vernon newspapers to run in next week's papers of the Public Meeting that will be held here at 114 FM 115 Mount Vernon, TX January 3, 2023, at 2:00 P.M.

Manager Kevin Spence reported needing to vote on the Amendment to the Owner-Engineer Agreement that is required by Rural Development. The amendments are to correct some of the wording, but no terms were changed. A motion was made by Vice President Larry Daniel and seconded by Director Rex Tillery to approve and accept the changes to the Amendment to Owner-Engineer Agreement. Motion carried with no dissent.

Manager Kevin Spence reported the 12" line that has been under construction on FM 2723 has been completed. All that is remaining is pulling samples; once samples are approved the water line will be put into service. This line will increase volume for all Tall Tree and Snug Harbor areas as well as FM 2723 and FM 3122.

Manager's Reports / New Business:

President Neuman Browning turned the meeting over to the Budget Committee. Chairman Secretary Treasurer Lloyd Parker was not able to attend last minute, meeting was turned over to Director Richard Starek, who thanked the other members of the 2022 Audit and 2023 Budget Committees consisting of Secretary Treasurer Lloyd Parker, Director Jerry Hammond, Manager Kevin Spence with Bookkeeper Raegan Swann who provided financial information to the committees for their time spent to go over figures to present to the Board for their approval. The 2023 Budget was presented to the Board for their review and approval. The Budget Committee reported there would be increases in 2023 with the Boards approval. After discussion a motion was made by Director Richard Starek and seconded by Director Jerry Hammond to approve the 2023 budget as presented effective January 2023. Motion carried with no dissent.

President Neuman Browning ordered of cancellation of election for February 4, 2023, in accordance to section 2.053a of the Texas Election Code. The following candidates have been certified as unopposed and hereby elected as follows Jerry Hammond, Chad Neal, Larry Daniel, and Todd Jagers are all seeking the office of director. A copy of this order will be posted at each polling place that would have been used in the election. Motion was made by Vice President Larry Daniel seconded by Director Jack Kemp that the cancellation of election be accepted, and Directors Jerry Hammond, Chad Neal, Larry Daniel, and Todd Jagers were declared elected. Motion carried with no dissent.

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

Approved

Date