

# CYPRESS SPRINGS SPECIAL UTILITY DISTRICT

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## MINUTES FROM THE BOARD MEETING

March 11, 2025

The Cypress Springs Special Utility District Board of Directors met on Tuesday, March 11, 2025, 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, Vice President Richard Starek, Secretary-Treasurer Lloyd Parker, Director Jerry Hammond, Director Brad Sears, Director Rex Tillery, Director Todd Jagers, Director Neuman Browning,

**Directors Absent:** Director Chad Neal, Director Richard Hughes, and Director Jack Kemp

**Also Present:** Kevin Spence and Jean Sparks

**Public Attendance Consisted of:** William Grammer

**Public Comment:** Mr. Grammer expressed his frustration once again about the dead tree in his yard. Although he did not request to be placed on the agenda and arrived after the official meeting had started, the board allowed him some leniency. Kevin Spence offered Mr. Grammer a gesture for customer satisfaction by proposing to write him a check covering the cost of reactivating his account. However, Mr. Grammer would be responsible for paying off any outstanding debts and would need to agree that CSSUD was not liable for any issues related to the tree. Mr. Grammer agreed to these terms and was advised to contact the office to obtain the necessary paperwork.

**Invocation:** Vice President Richard Starek

**President Larry Daniel** requested a motion and a second to approve the consent items. Director Jerry Hammond made a motion, seconded by Director Neuman Browning, to accept the Minutes from February 11, 2025, as written, the Treasurer's Report, and Aged Payables/Replenish Petty Cash Checking to \$20,000.00. The motions carried with no dissent.

### Manager's Reports / Unfinished Business:

**Manager Kevin Spence** reported the filter media in filter one at the East Plant has been replaced and was put back into service on Saturday. We are measuring the improvements in filter run time and the volume of gallons treated to assess the efficiency gained from the new media, compared to the 24-year-old media. Preliminary results indicate an improvement of over 50%, but we will have more precise data in the coming weeks. Filter Three was shut down on Monday, and its media has been removed for replacement this week. We aim to complete the replacement of all four filters by the end of March.

**Manager Kevin Spence** reported that the new SCADA system at the North Plant was installed in the last week of February and is performing well. The updated screen displays much more detail and offers more options for operator input.

**Manager Kevin Spence** reported that Cornersville WSC's maintenance agreement is standard this month. Dakota Shelby is training Ty Truett on the billing process.

**Manager Kevin Spence** reported that the TexSTAR program continues to perform as expected. Although interest rates fluctuate with the market, it has consistently remained higher than the current CD rate. The CD matures on May 19, 2025, and has performed well at Alliance Bank. If you are considering adding funds to the TexSTAR account, now is the best time to do so.

**Manager Kevin Spence** reported that Willard Jordan, the original electrical engineer, passed away late last year after creating the electrical plans for our North Plant upgrade. Mike Lilly, the new electrical engineer from Hayes Engineering, will visit to conduct a walkthrough and resubmit the plans to Rural Development for approval.

**Manager Kevin Spence** reported Vernon Allen, Dakota Shelby, Jean Sparks, and I met with Ferguson representatives Zeb Wright, David Rhone, Chase Cunningham, Joel Moore, and Damien Deleon with Kamstrup after discussing the meters, collectors, and reading percentages. Zeb discussed a plan to buy back 583 meters from us, freeing up \$145,000 to pay a contract company to install the remaining meters and mitigate any issues to get the system working at 98.5%. Leaning toward paying the contract upfront instead of selling the meters to them and then buying them back in a few months. I requested Ferguson to draw up an agreement and have our attorney review it now.

**Manager Kevin Spence** reported Dakota Shelby, our Field Foreman, has submitted his resignation, and his last day with us will be this coming Thursday, March 13, 2025. He has accepted the position of General Manager at Martin Springs Water Supply. I asked if there was anything we could do to persuade him to stay, but he had already made up his mind. Martin Springs Water Supply offers similar benefits, but with additional perks such as different working hours that will provide him with more family time, and the location is closer to his home. Moreover, it's a higher-level position. Ty Truett will serve as the interim Field Foreman for the rest of the year. Over the next two years, start considering hiring an Assistant Manager to train for my position as I approach retirement. I will be interviewing a gentleman tomorrow morning who previously worked with A1 Water Wells for the open field position.

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

**Manager Kevin Spence** reported all property insurance is with the Texas Municipal League (TML) and has always included cybersecurity coverage in their annual rates. However, this year, due to a significant increase in cyber claims resulting from a rise in cyber crimes against their clients, TML has implemented a separate policy. This new policy will incur an additional monthly cost of \$105.00, totaling \$1,250.00 per year, to cover cyber claims.

**Manager Kevin Spence** reported in a conversation last week with Scott Courson, the manager of Brinker Water Supply, is currently facing issues with the City of Sulphur Springs Water so he inquired about the possibility of CSSUD selling water to them to supply around 1,200 customers but there are around 25 miles between us that could be costly to provide water to them. Mr. Courson is expected to provide an estimated amount of gallons Brinker WS would need to determine if this arrangement would be feasible for both water companies.

**Manager Kevin Spence** reported In June 2024, when the new elevated tank was built on FM 115, approximately 500 meters was transferred from the South Plant to the North Plant and reported to the TCEQ. This relocation reduced the sampling requirements for the South Plant from three samples to two. However, samples were still collected from the South Plant three times a month until December. This five-month period was used to complete the necessary paperwork, establish new service area maps for both the North and South Plants, and notify the TCEQ of the changes. Although TCEQ approved these modifications, we later received a violation letter for not collecting enough samples. We are working to resolve this issue before the notification deadline in 2026.

**Manager Kevin Spence** A few weeks ago, the new secretary for the Tall Tree Property Owners Association (POA) visited the office and informed me about plans to repave the roads in a large portion of Tall Tree. She inquired about the possibility of lowering the water lines in the area. I informed her that the water lines were shallow and had been installed by contractors before we took over the water service for Tall Tree. I also explained that if they wanted the water lines lowered, it would be at their expense. She plans to get back to me with a scope of work to obtain an estimate of the costs involved.

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

**There being** no further business, Director Neuman Browning made a motion, seconded by Vice President Richard Starek, to adjourn the meeting at 6:45 PM. The motion carried with no dissent.