

**MINUTES FROM THE
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT
BOARD MEETING
August 9, 2022**

The Cypress Springs Special Utility District Board of Directors met Tuesday, August 9, 2022 in the Boardroom 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, Secretary Treasurer Lloyd Parker, Director Jack Kemp, Director Todd Jagers, Director Richard Starek, Director Chad Neal, Director Brad Sears, Director Jerry Hammond, Director Rex Tillery and Director Richard Hughes

Directors Absent: N/A

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

Invocation: Secretary Treasurer Lloyd Parker

President Neuman Browning asked if everyone had read the Minutes from the July 7, 2022 Board Meeting. After reviewing the Minutes, a motion was made by Director Richard Starek and seconded by Director Todd Jagers to approve the Minutes from July 7, 2022 as written with exception of the day of meeting was Thursday not Tuesday. 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 Richard Hughes 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 Director Jerry Hammond 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 Jimmy Staples looked at the Lowe's elevated tank Sunday giving an estimate for painting. Hopefully October or November 2022 will be able to do the project during the least demanding months. Will add to Agenda next month for an official vote. A motion was made by Director Jack Kemp and seconded by Director Richard Starek giving a verbal approval to have Jimmy Staples put us on his schedule. Motion carried with no dissent.

Manager Kevin Spence reported Master Meter is failing after the 10–12-year time frame. The purchase agreement that was signed between Master Meter and us will not be honored by them and they will be increasing the purchase cost by 20%. The meters are still not available to be received and will not be the newer Sonata meters but the old-style meters. Did meet with Kamstrup, which is a different manufacturer, to have a proposal done. They are running a study with information given to them from us to see if a fixed base with 8-mile radius would work for our more populated areas. This could decrease over all long term costs. Would still keep some Master Meters in the system, running dual systems to keep the annual maintenance fees down with Kamstrup.

Manager Kevin Spence reported a temporary security system has been installed until the new web-based system comes in.

Manager Kevin Spence reported postal service is getting worse and they have raised rates again. Discussion was done to come up with some solutions to promote eBilling. Possibly another drawing for a credit on a customer's account or charging a mailing fee. Will discuss again next month.

Manager Kevin Spence reported test results on the 12" raw water line came back with a decimal percentage of lead. With lead detected they will not approve turning the existing raw water line into a treated water line. A new 12" water line would have to be laid and it would be too costly to do to be able to serve the City of Mount Vernon water.

Manager Kevin Spence reported the flower beds at the office have deteriorated. Looking at redoing and using stone as the boarder.

Manager Kevin Spence reported the pumps for the south plant have been selected and waiting on TCEQ approval. The electrician out of Longview did come today to see what all will be needed to be able to give an overall cost estimate. After speaking with Hendrik Post, he will be able lift the twenty-foot long pump up through the cat walk and set in the grate.

Manager Kevin Spence reported maintenance agreements are going well. Pickton WSC has had several leaks on the well line. Where we had connected into a well line at CR 269 & CR 2415 had blowouts two nights in a row. Any other blowouts a new line will need to be laid.

Manager Kevin Spence reported was able to deposit into the construction account this month.

Manager Kevin Spence reported for Rural Development North Plant expansion grant, bonds are a must. The bonds are sold to investors, usually the government buys these types of bonds, to keep interest rates low.

Manager Kevin Spence reported firing Archer Findly who was still on probation for arriving late every morning. Have already filled the position with Jarret Elmore, who starts August 15, 2022. He has previously worked for the city and already has his C license which is an added benefit for us.

Manager's Reports / New Business:

Manager Kevin Spence reported 2022 growth we pumped 50 million gallons in July and pumped 1.75 million gallons a day with only a 2.0% water loss. At the end of the month there were still ten-line taps and nine Reservices/Drop Ins pending.

Manager Kevin Spence reported F550 truck sold with a great return. Still need to sell another older truck. It was budgeted for two new trucks this year. Looking at purchasing 2 Ford Mavericks for meter reading and taking samples to Tyler and Kilgore. The work truck version is a 4-cylinder crew cab front wheel drive with a bed that averages 26 mpg.

Manager Kevin Spence reported needing to approve the engineer for Professional Services. A motion was made by Vice President Larry Daniel and seconded by Secretary Treasurer Lloyd Parker to have Hayes Engineering as the Professional Services representative for the Rural Development North Plant expansion. Motion carried with no dissent.

Manager Kevin Spence mentioned last month it was brought up the possibility of a rate increase by adding \$3.00 per customer account that would be designated towards the cost for the north plant upgrade. Since we are mid-year would like to have a committee formed to discuss different possibilities including raising the minimums \$3.00 or changing from a flat rate to a tiered rate.

Secretary Treasurer Lloyd Parker reported reading articles in Dallas Morning News in reference to the Marvin Nichols reservoir. He went through the benefits it would have if built and comments the paper printed.

There being no further business a motion was made by Vice President Larry Daniel and seconded Director Chad Neal to adjourn the meeting at 6:30 PM. Motion carried with no dissent.

Approved

Date