

CYPRESS SPRINGS SPECIAL UTILITY DISTRICT

114 FM 115 (Off South Service Road, Mount Vernon)

903-588-2081 * Fax 903-588-2085

E-Mail office@cssud.org Website: www.cssudpay.com

MINUTES FROM THE BOARD MEETING August 12, 2025

The Cypress Springs Special Utility District Board of Directors met on Tuesday, August 12, 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 Chad Neal, Director Richard Hughes, Director Todd Jagers, Director Jeff Cohen, and Director Neuman Browning.

Directors Absent: Director Rex Tillery

Also Present: Kevin Spence and Jean Sparks

Public Attendance Consisted of: N/A

Public Comment: N/A

President Larry Daniel requested a motion and a second to approve the consent items. Director Jerry Hammond made a motion, seconded by Director Chad Neal, to accept the Minutes from July 8, 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 east plant had been experiencing a loss of residual. The two elevated tanks, which the east plant fills, have been drained, inspected, disinfected, and put back into service. Both tanks contained sediments but were found to be in good condition.

Manager Kevin Spence reported that Cornersville WSC Well 3 has been rewired, and a variable-speed drive has been installed to prevent the pump from malfunctioning again. The variable speed drive will need to be reset, adjusted, or attended to by A1 Water Well, which may cause delays while we wait for their arrival for any necessary repairs to the drive. Well 3 is back up and running smoothly.

Manager Kevin Spence reported that, as of October 1, 2025, Guaranty Bank & Trust will be acquired by Glacier Bancorp, based in Montana. The bank will continue to operate under the Guaranty Bank & Trust name and will keep its existing routing and account numbers. Changes are expected in the bookkeeping department, as bookkeeping will likely be managed from Glacier Bancorp's headquarters; however, the current management team is likely to remain in place.

Manager Kevin Spence reported there were no updates on the Grant Loan this month.

Manager Kevin Spence reported that in the Ready Manager system, the Kamstrup meter count currently stands at 5,262. However, 822 meters are not recording readings from the collectors, leading to a pickup percentage of 84.38%. Ferguson is expected to address the issue with the 822 meters in order to achieve a target pickup rate of 98.5%. Meanwhile, the contract renewal is still under negotiation.

Manager's Reports / New Business:

Manager Kevin Spence reported speaking with Craig Lindholm, the City Manager of Mount Vernon, regarding Hendrick Post's property on Highway 37 near the city lake. Hendrick is requesting water service for an office he wants to establish for his existing business. His property is situated partially within the city limits and partially outside in our service area. Until the City of Mount Vernon fully annexes the property, we will provide water service. The city has long-term plans for the land around the city lake, including plans to annex additional areas in the future.

Manager Kevin Spence provided an update on the legislation affecting us, including the Open Meetings Act and the Public Information Act.

Other Business That May Arise:

Manager Kevin Spence reported that a vote was required to approve the contract for election services if an election needs to take place for the February 2026 elections. Vice President Richard Starek made a motion, seconded by Director Jerry Hammond, to approve the use of the Franklin County Elections Administrator in the event an election is held for the February 2026 election and to have the county elections office conduct the election. The motion carried with no dissent.

There being no further business, Director Neuman Browning made a motion, seconded by Director Chad Neal, to adjourn the meeting at 6:00 PM. The motion carried with no dissent.

Approved