

CYPRESS SPRINGS SPECIAL UTILITY DISTRICT

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MINUTES FROM THE BOARD MEETING

June 10, 2025

The Cypress Springs Special Utility District Board of Directors met on Tuesday, May 13, 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 Rex Tillery, Director Todd Jagers, and Director Neuman Browning.

Directors Absent: N/A

Also Present: Kevin Spence and Jean Sparks

President Larry Daniel Jeff Cohen was requested to take the Statement of Officer and Oath of Office, which he duly swore.

Public Attendance Consisted of: N/A

Public Comment: N/A

President Larry Daniel requested a motion and a second to approve the consent items. Vice President Richard Starek made a motion, seconded by Director Jerry Hammond, to accept the Minutes from May 13, 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 that the City of Winfield is seeking funding from state and federal grants before making any commitments to pursue the possibility of obtaining water from alternative sources.

Manager Kevin Spence reported having to replace the last of the original three air conditioning units. Initially, thought it was just the regulating valve that needed to be replaced. However, after changing the valve, the coil malfunctioned as well. According to the quotes received, replacing the coil would cost about half of what a new indoor and outdoor unit would cost.

Manager Kevin Spence reported that Cornersville WSC is once again facing issues with its primary well. The pump and motor have had to be replaced for the third time in two years. This well is the only one among the three they have that can serve the entire system. Additionally, they are purchasing our old radio-read master meters to replace some of their existing meters, making meter reading easier.

Manager Kevin Spence reported that after discussing the transfer of money in and out of the TexSTAR holding with the auditors, I learned how these transactions would affect the time required for the audit. The audit fee is \$250.00 per hour for each transaction audited. To help manage the audit costs, the transfers should remain in TexSTAR for several months.

Manager Kevin Spence reported that the CD with Alliance Bank was renewed on May 19, 2025, at an interest rate of 4.00% for a six-month term.

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

Manager Kevin Spence reported the meter change-out crew has not returned since last month's meeting due to rain and the wait for the remaining meters to arrive. They should complete all the change-outs by the next board meeting on July 8, 2025, having already installed 2,450 meters.

Manager Kevin Spence reported that Raegan Swann, always resourceful, enterprising, and eager to learn, has completed the Basic Water Course and Class D exam and is now a Water Operator, as well as a licensed real estate agent.

Manager's Reports / New Business:

Manager Kevin Spence reported that Rick Ivey, Dillon McAdoo, Ty Truett, Laramie Henson, Cody Barrett, JC Hollingsworth, Kenneth Cannon, and Yesica Perez will participate in the virtual TCEQ Public Drinking Conference training on August 5-6, 2025, in the conference room. This training will provide employees with 12 free hours of continuing education, which is necessary for license renewals, and will include all the latest updates.

Manager Kevin Spence reported that the Franklin County Water District was asked for the current firm yield of Lake Cypress Springs to provide Hayes Engineering with the information needed for the capital improvement plan. The firm yield of reservoirs can change over time due to sediment buildup, which decreases their capacity. According to a report from Mr. Reeves, the current projected firm yield of Lake Cypress Springs is 13,900 acre-feet per year. For context, the constructed yield of Lake Cypress Springs was 15,300 acre-feet per year back in 1970.

Other Business That May Arise:

There being no further business, Director Neuman Browning made a motion, seconded by Director Jerry Hammond, to adjourn the meeting at 6:25 PM. The motion carried with no dissent.

Approved

Date