

**MINUTES FROM THE
CYPRESS SPRINGS SPECIAL UTILITY DISTRICT
BOARD MEETING
June 11, 2024**

The Cypress Springs Special Utility District Board of Directors met on Tuesday, June 11, 2024, in the Board Room of the Cypress Springs Special Utility District Office 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 Neuman Browning, Director Chad Neal, Director Rex Tillery, Director Todd Jagers, Director Richard Hughes, and Director Jack Kemp

Directors Absent: n/a

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

Public Attendance Consisted of: Mike Rambin and Deborah Parker

Public Comment: n/a

Invocation: Vice President Richard Starek

President Larry Daniel asked for a motion and a second to approve consent items. Director Chad Neal made a motion, seconded by Director Richard Hughes, to accept the Minutes from May 14, 2024, as written, the Treasurer's Report, and Aged Payables/replenish petty cash checking to \$20,000.00. The motion carried with no dissent.

Manager's Reports / Unfinished Business:

Manager Kevin Spence reported that the new elevated tank on FM 115 had passed the bacti sample. However, the altitude valve is still tripping. Bill from Prestige will come to diagnose the issue and adjust the height to prevent overflow. The fence bids were much higher than expected, with S&J Services' lowest bid awarded. The work should be completed by the end of this week. The commercial-grade fence material will be six feet tall with three strands of barbwire on top.

Manager Kevin Spence reported receiving an email confirmation from Matthew Munro with TCEQ resending the requirement of sending out a public notice that was required for the alleged violation at the South Plant for not testing and reporting nitrate levels.

Manager Kevin Spence reported that a representative, either himself or Dakota Shelby, will attend future Cornersville WSC board meetings to ensure accurate reports are presented on our behalf.

Manager Kevin Spence reported I had a discussion with David Shechtman from Hilltop Securities about potential investment opportunities to maximize the returns on the money we currently have in CDs. They offer an average return of about 0.3% higher than the CD rates. Additionally, they allow extra contributions to be added at any time to earn more interest and permit immediate withdrawals with no penalties. I shared this information with Secretary-Treasurer Lloyd Parker for his review. Our current CDs will renew on November 1, 2024. Secretary-Treasurer Lloyd Parker mentioned that the information provided is quite general and suggested that more details and explanations are needed. He recommended that they should come and speak at a board meeting.

Manager Kevin Spence reported Communicating multiple times with Willard Jordan to finalize all the electrical work to be submitted for the grant/loan through Rural Development. A few easements are still needed.

Manager Kevin Spence reported The Kamstrup/Ferguson mobile collector is being relocated from Pine Valley to our new elevated tank on FM 115 this week. Additionally, one is being added to our Greenwood standpipe to improve and extend the coverage area.

Manager Kevin Spence reported no updates from the City of Mount Vernon.

Manager's Reports / New Business:

Manager Kevin Spence discussed dates for an employee appreciation lunch for the employees and board members. After the board discussed dates, July 3, 2024, from 11:00 AM to 1:00 PM was agreed upon.

Manager Kevin Spence reported that the board members are welcome to tour the facilities anytime between Tuesday and Thursday. Two employees will always be available at each site during those days or can arrange to meet you there at your convenience. The north plant is next in line for upgrades, so this is an opportunity to see the facility before and after the upgrades are completed.

Manager Kevin Spence reported the mobile Kamstrup collector trailer, currently at the elevated storage tank on FM 115, broke during one of the storms and fell into our new elevated tank. Caldwell Tanks and Ferguson have been contacted and sent pictures. Ferguson has contacted their insurance company, but the tower was aluminum and appears to have done no structural damage. It did scratch the paint in a few areas. John Irwen is there now, removing the fallen collector, and Caldwell Tank is sending a painter to touch up the paint so as not to affect the warranty.

Manager Kevin Spence reported the heavy rainfall has caused problems with water sales and infrastructure damage. The excessive downpours washed out creeks on County Road 1012, County Road 1011, and the 6-inch water line on US Highway 67 since March. The field crew has already repaired the lines on County Roads 1012 and 1011, but repairs for US Highway 67 and County Road 1012 will require boring deep under the creek beds once the weather is dry enough to complete the work.

Manager Kevin Spence reported receiving a bid from Triple Crown Roofing to replace the roof at the main office. The building was built in 2009, and there are shingles missing and humps under the shingles in some places. The bid options are \$29,500.00 with a five-year warranty or \$35,550.00 with a 25-year warranty. I am still waiting on bids from other roofing companies.

There being no further business, Director Rex Tillery made a motion, and Vice President Richard Starek seconded it, to adjourn the meeting at 6:15 PM. The motion carried with no dissent.

Approved

Date