

April 27, 2022

The Board of Directors of Bell County Water Control and Improvement District No. 1 of Bell County, Texas met in Regular Session, open to the public, in the Conference Room, 201 South 38th Street, Killeen, Texas 76543, at 09:00 a.m., on the 27th day of April 2022, and the roll was called of the duly constituted officers and members of the Board.

Robert R Robinson	President	Richard Grandy	Director
Blair Williams	Vice President	Dale Treadway	Director
Sandra Blankenship	Secretary	Brian Dosa	Fort Hood Representative
John Fisher	Director	Ricky Garrett	General Manager
Kenny Wells	Director		

Public attendees were Thad Imerman, Killeen Daily Herald; Steve Kana, City of Killeen Staff; Allen Woelke, CDM Smith Engineering; Jessica Gonzalez, City of Killeen Council Member; Rick Williams, City of Killeen Council Member.

With all said members present except the following absentee(s): John Fisher, thus constituting a quorum.

There being no public comments, President Robinson called the meeting to order at 9:00 am and noted that Director Fisher would attend remotely or come in late.

The first item of business was the consent items, which included the minutes of the regular Board Meeting, held on March 22, 2022, approval of minutes from Budget Workshop meeting of April 7, 2022, approval of March Financial Statements and approval of 1st Quarter 2022 Investment Report. A motion was made by Secretary Blankenship to approve the minutes of the March 22, 2022, meeting as written and seconded by Vice President Williams. All members present approved the motion unanimously.

The next consent item was to discuss and consider approval of minutes from Budget Workshop meeting of April 7, 2022. A motion was made by Secretary Blankenship to approve the minutes of the Workshop Budget meeting of April 7, 2022 and seconded by Director Wells. All members present approved the motion unanimously.

The next consent item was to discuss and consider approval of financial statements for March 2022. Natasha Keeney went over both the water and wastewater financial statements. Water had spent 71% of their total budget and wastewater has spent 81%. A motion was made by Vice President Williams to approve the March financial statements and seconded by Director Treadway. All members present approved the motion unanimously.

The final consent item was to discuss and consider approval of the 1st Quarter Investment Report. Ricky Garrett, General Manager, stated that on the water report there was a small bump in the amount of interest earned and the Special O&M account was funding the rest of the Stillhouse Water Plant project and there is still \$250,000 retention being held. On the wastewater report, the special O&M account is funding the Perkins Engineering for upcoming project of the digester upgrade. A motion was made by Director Wells to approve the 1st Quarter Investment reports and seconded by Director Grandy. All members present approved the motion unanimously.

Director Fisher joined the meeting at 9:10am.

New Business Items: The first new item was to discuss and consider approval of the 2022/2023 Water and Wastewater budgets and take the appropriate action. Ricky Garrett, General Manager, went over several slides highlighting the budgets and why the rates would increase. The water rate would increase from .72/1000 to .78/1000 gallons treated and wastewater from .96/1000 to 1.06/1000 gallons treated. Director Fisher made a motion to approve the upcoming budgets as written and seconded by Director Treadway. All members present approved the motion unanimously.

The next item was to discuss and consider appointment of an Auditor for fiscal year May 2021 through April 2022 and take the appropriate action. Ricky Garrett, General Manager stated that staff recommends using Lott Vernon & Company again this year. They have performed the annual audits for many years and know the history of our business. Their rate went up to \$43,700 from \$38,000.00 from the last several years. After a brief discussion inquiring if there are other firms out there that can perform the same type of audits and fees a motion was made by Director Grandy to approve the appointment of Lott Vernon & Company and seconded by Vice President Williams. All members present approved the motion unanimously.

The final new business item was to discuss and consider authorizing the General Manager to amend the Professional Services Agreement with Perkins Engineering Consultants, Inc., Arlington, Texas, in the amount of \$68,073.00 to \$97,600.00 to add electrical engineering to the necessary preliminary engineering to rehabilitate the aerobic digesters at Wastewater Plant 1 and take the appropriate action. Ricky Garrett, General Manager, explained that the plant has two electrical feeds that come into the plant and no backup generation. The current operation of the digester electrical is not strong enough to support the oxygen needed. This electrical engineering is needed to upgrade the operation of the aerobic digester operation. A motion was made by Vice President Williams to authorize the General Manager to amend the Professional Services Agreement and seconded by Director Wells. All members present approved the motion unanimously.

Staff Reports: Trevor Butler, Wastewater Superintendent, informed the board that Plant 1 is averaging 9.5 mgd. The sulfur dioxide system was hit by lightning with the last storm. It still works, just not in automatic mode. No major projects going on at the present time.

Plant 3 overall is doing well and is averaging 3.5mgd. The SBR basin project is complete. The next basin is on schedule to be taken down for maintenance. The lift station pump has been installed and all 4 pumps are in operation. One of the headworks screens is running through motors shorting out. The service rep is diagnosing to see why.

Compost facility is very busy now. Product is being sold as fast as it can be screened.

Keith Baker, Deputy General Manager, gave an update on both lake levels being down just under 4 feet. Belton Plant flow is averaging 31.4mgd and 37.2mgd max. Stillhouse is averaging 3.0mgd. Air relief valves on the main distribution lines will be changed out.

Stillhouse Water Plant had some roof, light pole, and fence damage from the tornado. Plant lost power. Bartlett Electric Co-Op had the power restored within two hours the next morning. Plant still having communication control issues with the High Service pumps. Rep to be on site and fix the issue by next week.

Pump station upgrade for the City of Belton has begun excavation. Contractor has about 12 feet left to dig down.

Mr. Garrett, General Manager, stated that the insurance adjuster has already assessed the tornado damage from the Stillhouse Plant. It is approximately \$73,000.00; our deductible is \$100,000.00. A lot of the repairs can be done inhouse. He thanked the City of Killeen staff and Steve Kana for their support during the down time of the plant.

Josh Coleman, the 5 Group, gave an update on the standby generation remotely with a power point presentation. RPower, who partners with Generac, was preliminarily selected pending engineer's review of the proposed solution and contract negotiation. They would provide 16 Generac SG625 gas fired engine-generator sets. Each generator set will deliver 625 KW for a total of 10,000 MW; proposed cost per KW including allowance/options is \$930.00. Their proposal included options for 10-year extended warranty and maintenance services.

Contract review/negotiation is pending resolution of Atmos gas supply issue and board approval. Atmos Gas gave two options with replacing the 12,000 feet of 6" gas line that is currently in the Corps of Engineer's easement.

Option 1: have Atmos Mid-Tex tap the existing transportation pipeline and extend the new service to the facility at an estimated 4 million cost and take 12 to 18 months to install and the new gas line would NOT be dedicated the WCID No. 1.

Option 2: Atmos Pipeline Company would tap the existing transportation pipeline near the existing meter and WCID No.1 would extend approximately 11,000 feet dedicated 6" pipeline using Corps of Engineers right-of-way. Estimated cost to be 1 million dollars for the 6" tap and meter station. No estimate given for pipeline extension portion. Fort Hood representative, Brian Dosa stated that it should not be an issue to sue the current Corps of Engineers easement contingent on due diligence process.

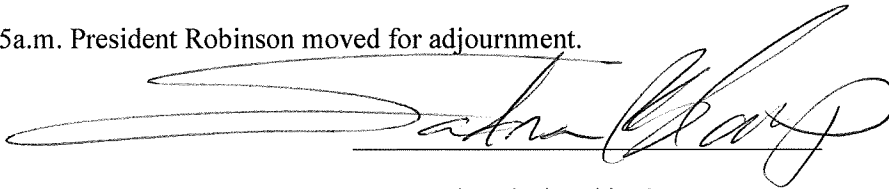
Next was a power point presentation on Brazos River Authority Little River System Integrated Water Resources Plan workshop #1 that was attended on April 18, 2022. One main focus was the population growth from 2020 to 2070 (next 50 years) within this system; 4.5 million today and 8.6 million in 2070. The BRA has a high priority need for decision making and action in order to ensure a reliable water supply to customers in the Little River Watershed (Phase 1). The power point presentation is available to view.

Lastly, Allen Woelke, CDM-Smith engineering, addressed the water aster plan and water demand and water plant capacity forecasts to the board and attendees. The Belton Water Plant can increase from 90mgd to a 118mgd plant with the renovation of the current Plant 3. It does not operate the same as the other 3 plants located on Belton Lake. The project would include increasing Plant 3 from 25mgd to 53mgd; demolish lagoon No. 5, and constructing another 4.0mg clear well at Plant 4.

Items from the Board: Secretary Blankenship stated that an ASR recovery should continue to be on customer's radar.

Director Fisher inquired if the Jack Hilliard water shed was considered with the first meeting for underground water storage to be used. Mr. Garrett said it would be a complicated issue.

10:45a.m. President Robinson moved for adjournment.



Sandra Blankenship, Secretary
Board of Directors

