

September 27, 2023

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 September 2023, and the roll was called of the duly constituted officers and members of the Board.

Robert R Robinson	President	Richard Grandy	Director
Kenny Wells	Vice President	Dale Treadway	Director
Sandra Blankenship	Secretary	Brian Dosa	Fort Cavazos Representative
Ricky Wilson	Director	Ricky Garrett	General Manager
Dr. Joyce Bateman Jones	Director		

Public attendees were Thad Imerman, KDH; Steve Kana, City of Killeen; Dirk Aaron, Clearwater UWCD; Neil Deeds, Intera Incorporated; Tad Dorrah, BKCW.

With all said members present except the following absentee(s): none, thus constituting a quorum.

President Robinson called the meeting to order at 09:00 am. No public comments were made.

The first item of business was the consent items, which included the minutes of the regular Board Meeting, held on August 23, 2023, and approval of August Financial Statements. A motion was made by Director Treadway to approve the minutes of the August 23, 2023 meeting, and seconded by Director Jones. All members present approved the motion unanimously.

The next item was to discuss and consider approval of financial statements for August 2023. LaFranshonna McAllister went over both the water and wastewater financial statements. There were no major expenses. A motion was made by Secretary Blankenship to approve the August 2023 financial statements and seconded by Director Grandy. All members present approved the motion unanimously.

New Business Items: Discuss and consider adopting Water and Wastewater rates for October 1, 2023 through September 30, 2024 and take the appropriate action. Mr. Garrett, General Manager stated that the new rates were approved at the April 2023 board meeting. Water rate to increase to .85/1000 gallons and wastewater to 1.14/1000 gallons. A motion was made by Secretary Blankenship to approve the water rate from .78 to .85/1000 gallons and the wastewater rate from 1.06 to 1.14/1000 gallons and seconded by Director Treadway. All members present approved the motion unanimously.

The next item was to discuss and consider executing new Waste Disposal Contracts as approved by the cities of Killeen and Harker Heights for wastewater treatment services. Mr. Garrett, General Manger stated that City of Killeen council and City of Harker Heights city council approved the new Waste Disposal Contracts. The City of Harker Heights will become a wholesale customer with up to 2 mgd into the South Wastewater Plant. Future debt service for major capital upgrades will make Harker Heights responsible for 2/6 of the costs and Killeen responsible for 4/6 of the costs. A motion was made by Secretary Blankenship to approve the amended and restated waste disposal contract between the District and the City of Killeen and the waste disposal contract between the District and the City of Harker Heights. Motion was seconded by Director Treadway. All members present approved the motion unanimously.

The next item was to discuss and consider authorizing the General Manager to administer the Fort Cavazos Aquifer Storage & Recovery Project and contract with Intera Incorporated, Austin, Texas in the amount of \$86,504 as the lead consultant. Mr. Garrett, General Manager stated that the District endorses Aquifer Storage and Recovery (ASR) as a viable long term water supply initiative. Fort Cavazos participated through the District to gauge the feasibility of ASR. A proposal was solicited from Intera Incorporated to conduct field work, including test wells. Neil Deeds of Intera Incorporated stated that taking this step will prove out the resource of the aquifer. A motion was made by Secretary Blankenship to authorize the General Manager to administer the Fort Cavazos Aquifer Storage and Recovery Project and contract with Intera Incorporated, Austin, Texas in the amount of \$86,504 and seconded by Director Jones. All members present approved the motion unanimously.

The next item was to discuss and consider awarding a bid to Andrews and Foster, Athens, Texas for contract drilling services in support of the Fort Cavazos Aquifer Storage & Recovery feasibility project in the amount of \$479,997. Mr. Garrett, General Manager stated that although the recommended bidder was not the lowest, the bidder has direct experience in the Lower Trinity in this region and lesser mobility distance. A motion was made by Director Treadway to award the bid to Andrews and Foster, Athens, Texas for contract drilling services in support of the Fort Cavazos Aquifer Storage & Recovery feasibility project in the amount of \$479,997 and seconded by Secretary Blankenship. All members present approved the motion unanimously.

The next item was to discuss and consider authorizing the General Manager to negotiate a health care insurance contract for the coming year in an amount "not to exceed" budgeted amount plus 10% with the same or improved terms and conditions. Mr. Garrett, General Manager stated that the "not to exceed" 10% may not be achievable based on information from Tad Dorrah of Bingham Kliewer Chapman and Watts (BKCW). Mr. Dorrah explained rising costs across the economy nationally and health insurance is being affected as well. BKCW is actively seeking competitive bids. The District budgeted 8%, however indications suggest a 27% increase with Texas Health will be necessary for renewal. Mr. Garrett recommended to table the agenda item. A motion was made by Vice President Wells to table item until the next board meeting and seconded by Secretary Blankenship. All members present approved the motion unanimously.

The next item was to discuss and consider awarding a bid to PrimeSpec Construction, Liberty Hill, Texas in the amount of \$135,800 for the Plant 2 Filter Backwash Valve Replacement project at the Belton Water Treatment Plant. Mr. Garrett, General Manager stated that the budgeted amount for this project is \$150,000 and a single bid was submitted. PrimeSpec Construction completed the Plant 1 Filter Backwash Valve Project and other projects for the District. A motion was made by Secretary Blankenship to award the bid to PrimeSpec Construction, Liberty Hill, Texas in the amount of \$135,800 for the Plant 2 Filter Backwash Valve Replacement project at the Belton Water Treatment Plant and seconded by Vice President Wells. All members present approved the motion unanimously.

The next item was to discuss and consider awarding a Plant 4 Rapid Mix Assembly Replacement project to Rodgers Equipment in the amount of \$122,567. Mr. Garrett, General Manager stated that attempts have been made to repair in-house using local machine shop help and has proven to be unsuccessful. Rodgers Equipment is the authorized representative of the original equipment manufacturer and a quote was received to replace two assemblies. A motion was made by Secretary Blankenship to award a Plant 4 Rapid Mix Assembly Replacement project to Rodgers Equipment in the amount of \$122,567 and seconded by Director Treadway. All members present approved the motion unanimously.

The next item was to discuss and consider authorizing the General Manager to negotiate a final design contract with CDM-Smith for the Surge Tank Replacement Project in the amount of \$410,700. Mr. Garrett, General Manager stated the preliminary engineering has been completed. A motion was made by Director Treadway to authorize the General Manager to negotiate a final design contract with CDM-Smith for the Surge Tank Replacement Project in the amount of \$410,700 and seconded by Director Grandy. All members present approved the motion unanimously.

The final new business item was to discuss and consider an amendment to the Mead Hunt (Perkins) Wastewater Plant 1 engineering contract to include permit renewal services for the District's 4 discharge permits in the amount of \$72,176. Mr. Garrett, General Manager stated that the District's 4 discharge permits are up for renewal Fall of 2024 with a due date of 180 days for applications. A motion was made by Secretary Blankenship to amend the Mead Hunt (Perkins) Wastewater Plant 1 engineering contract to include permit renewal services for the District's 4 discharge permits in the amount of \$72,176 and seconded by Director Treadway. All members present approved the motion unanimously.

Staff Reports: Trevor Butler, Wastewater Superintendent, informed the board that the flows have stayed the same. Plant 1 is averaging 10 mgd. Filter lost a wash water pump and drive motor and was replacement with spares on hand. Replacement spares are being priced. All four filters are in service. Aeration basin piping broke and repairs are being scheduled.

Plant 3 is averaging 3.5 mgd. The automatic transfer switch for the generator was tested and generator is back in service.

Compost facility is doing great, all equipment is running. The grinding has been completed.

The maintenance truck is in the repair shop and expected to be completed this week. The new CMMS program has been going great and in the process of inputting work orders and creating new PM schedules.

Keith Baker, Operations Manager, gave an update on both lake levels; Lake Belton down 18.3 feet and Lake Stillhouse down 18.2 feet. Belton treatment plant averaging 47 mgd; a minimum of 32 mgd; and max is 53 mgd.

Stillhouse Plant is averaging 1.3 mgd.

Backup Generation project has eight of the generators set in place. The other eight is scheduled to be delivered on October 17th.

Gas Line project will be tested in 2-3 weeks.

Kempner water line has been flushed and the clearwell will be filled today. The meter vault and electrical components still need to be installed.

Stillhouse has received high service #4 motor and is back in service. The other 2 pumps with bearing replacements will be pulled in a few weeks.

Belton Pump Station project is still waiting on the variable frequency drives with an anticipated delivery date of November 17th.

Mr. Garrett, General Manager, gave a drought update. The rain we received temporarily stopped the decline but there has not been any beneficial rise in the lake levels.

Hired 2, possibly 3 applicants from Indeed. Received a lot of good applications. A current operator on staff obtained a dual license.

Working with Josh Coleman from LSE for an ERCOT incentive program. The current one with MP2 is ending. Will bring recommendation back to the board in October.

The VFD's that power RW 7&8 and HL 15&16 are the same type and age for each of the pumps. Each is beyond useful life and no longer supported. Looking at replacements, however the lead time is 3 years. Recommend items similar to this, with lead times beyond fiscal year, to create a capital replacement fund. Found out that Toshiba makes VFD's out of Houston with a 12 month lead time and will look into that route.

Compost loader lease is up in November. Looking at purchasing with final balloon payment. Compared to purchasing a similar aged loader and leasing a new loader, the recommendation is to purchase the current leased loader. Savings from the Mac Truck, foregoing the gate valves on South Plant ponds and remaining budgeted loader lease dollars will make up the final balloon payment for the current loader lease for the District to own. All were in favor of purchasing the loader.

The next Board Meeting will be held on October 25, 2023. Insurance, quarterly investment report and LSE recommendations will be on the agenda.

At 10:51 the board went into executive session to discuss the General Manager's evaluation.

At 11:11 the board reconvened back in open session; no action taken while in executive session.

In open session, a motion was made by Secretary Blankenship to approve a pay increase of 5.0% and an additional week of vacation time and 20 hours of sick time for the General Manager. The motion was seconded by Director Treadway. All members present approved the motion unanimously.

Meeting was adjourned at 11:12 a.m. by President Robinson.



Sandra Blankenship, Secretary
Board of Directors