

Bell County WCID No. 1 Contract Analysis for the City of Killeen

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Bell County WCID No.1

- Regional conservation and reclamation --Texas Constitution Conservation Amendment (Article XVI, Section 59)
- Chapter 9005, Special District Local Laws Code
- Created in early 1950s
- Long term lease of Lake Belton WTP to serve Fort Hood and surrounding communities
- Now serves Fort Hood, Killeen, Belton, Copperas Cove, Harker Heights, Bell County WCID No. 3, and 439 WSC
- Raw water supply -- contracts between the District and Brazos River Authority

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City of Killeen Water Supply Contract

- Contract for a wholesale supply for all water City requires up to a maximum rate of delivery of 42 MGD
- Term is for the life of outstanding District bonds
- City may acquire water from another source with District's prior written consent
- District issues contract revenue bonds in consultation with wholesale customers to cover capital projects

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City of Killeen Water Supply Contract (cont'd)

- Contractual reservation of portion of District's raw water supply to the City
- Contractual reservation of capacity in District's system to the City
- Pro-rata allocation of system expenses among wholesale system customers, including debt-service
- Prohibition against unilateral termination by the City and provision for unconditional payment—protection for bond holders

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Conclusions and Key-Takeaways

- Contract terms are commonly found in wholesale water supply contracts for regional systems
- Regional wholesale system secures raw water supply, treatment and delivery to multiple wholesale customers
- City holds contractual reservation for raw water supply and system capacity
- Termination of contractual relationship requires District consent and disposition of City's share of debt service
- Contract allows for sub-contracts with other wholesale customers to transfer capacity reservation

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QUESTIONS, THANK YOU!



Lauren Kalisek