

VIRGINIA:

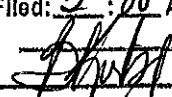
IN THE CIRCUIT COURT OF THE COUNTY OF BEDFORD

|                        |   |                        |
|------------------------|---|------------------------|
| BEDFORD WEAVING, INC., | ) |                        |
|                        | ) |                        |
| Plaintiff,             | ) |                        |
|                        | ) |                        |
| v.                     | ) | Case No. CL14000008-00 |
|                        | ) |                        |
| BEDFORD REGIONAL WATER | ) |                        |
| AUTHORITY,             | ) |                        |
|                        | ) |                        |
| Defendant.             | ) |                        |

**DEMURRER**

COMES NOW Defendant Bedford Regional Water Authority ("Authority"), by counsel, and respectfully demurs to the Complaint as it fails to state facts upon which the relief demanded in either Count I or Count II can be granted against the Authority. As grounds for this Demurrer, the Authority states as follows:

1. The Complaint fails to state a claim that the Authority's participation in the Smith Mountain Lake Project was not properly authorized in accordance with the Virginia Water and Waste Authorities Act, Va. Code §§ 15.2-5100, et seq. (the "Act") and is ultra vires and unlawful. The initial paragraph of Article IV of the Authority's Articles of Incorporation ("Article IV") states its purpose in the broadest terms and expressly grants the Authority all rights, powers and duties of an authority under the Act. The second and third paragraphs Plaintiff cites merely encourage or direct the Authority to prioritize actions in accordance with the Principles adopted by the City of Bedford and County of Bedford which

|  |  |
|--|--|
| Bedford County Circuit Court Clerk's Office  |  |
| Filed: 3 : 00 AM/PM  | on this the 27 day of  |
| JAN, 20 14   |  |
|  | <input checked="" type="checkbox"/> Dep Clerk <input type="checkbox"/> Clerk |

created the Authority and which are referenced in their Reversion Agreement dated August 14, 2012, and a Consolidation Agreement dated October 31, 2012. Those two paragraphs do not employ either of the words “specified” or “project” so as to constitute a “specified project or projects” within the meaning of Va. Code § 15.2-5111 or limit the purposes of the Authority to any particular project or projects. This is clear from the localities express statement in the final paragraph of Article IV that “it is not practicable to set forth herein information regarding . . . proposals for specific projects to be undertaken . . . .” The construction of Article IV urged by Plaintiff renders the initial and final paragraphs meaningless. When properly construed in its entirety, and giving effect to each provision of Article IV, the Articles have not specified any project so as to limit the projects to be undertaken by the Authority. Rather, they give the Authority all of the powers granted to an authority under the Act to undertake any and all projects allowed under the Act.

2. The Complaint fails to allege facts showing that Plaintiff will suffer irreparable harm or lacks an adequate remedy at law due to any alleged future increase in rates charged by the Authority. The Complaint fails to allege, and Plaintiff is wholly unable to allege, that any rates, fees or charges that the Authority may adopt in the future are not “just and equitable” or adopted after notice and public hearing as required by the Act, Va. Code § 15.2-5136. The Complaint also fails to allege, and Plaintiff is wholly unable to allege, that the Authority has increased or is presently proposing to increase any rates.

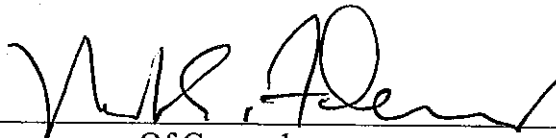
3. The Complaint fails to allege facts showing that Plaintiff will suffer irreparable harm or lacks an adequate remedy at law due to any alleged increase in hardness of the water the Authority furnishes following completion of the Project. The Complaint fails

to allege, and Plaintiff is wholly unable to allege, that any increase in the hardness of the water would violate any regulations or standards which govern the quality of water the Authority furnishes to Plaintiff or others. The Complaint fails to allege that water quality standards govern hardness or facts showing that Plaintiff has any legal right to any particular quality of water other than as required by the relevant standards. Finally, the Complaint fails to allege facts showing that any alleged "operational and product problems" that may result from increased hardness of the water could not be adequately remedied by monetary damages.

4. The Complaint fails to allege facts to establish that the injunction Plaintiff requested is in the public interest.

WHEREFORE, Bedford Regional Water Authority respectfully prays that the Court enter an order sustaining its Demurrer, dismissing the Complaint filed against it in its entirety, and awarding it costs and such other relief as the Court may deem just and proper.

BEDFORD REGIONAL WATER AUTHORITY

By:   
Of Counsel

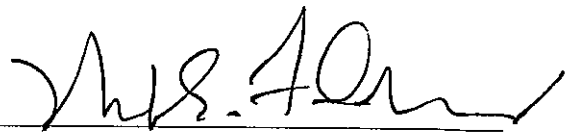
Harwell M. Darby, Jr. (VSB # 14737)  
Email: [hdarby@glennfeldmann.com](mailto:hdarby@glennfeldmann.com)  
Mark E. Feldmann (VSB # 13259)  
Email: [mfeldmann@glennfeldmann.com](mailto:mfeldmann@glennfeldmann.com)  
Andrea K. Hopkins (VSB # 85093)  
Email: [ahopkins@glennfeldmann.com](mailto:ahopkins@glennfeldmann.com)

Glenn, Feldmann, Darby & Goodlatte  
37 Campbell Avenue, S.W.  
P.O. Box 2887  
Roanoke, Virginia 24001-2887  
Telephone: (540) 224-8000  
Facsimile: (540) 224-8050

Counsel for Bedford Regional Water Authority

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Demurrer was mailed, by first class mail, postage prepaid, to Kevin W. Mottley, Esq., The Mottley Law Firm PLC, 1700 Bayberry Court, Suite 203, Richmond, Virginia 23226; and to John R. Cline, Esq., John R. Cline, PLLC, 8261 Ellerson Green Close, Mechanicsville, Virginia 23116, counsel for Bedford Weaving, Inc., on this the 27th day of January, 2014.

  
\_\_\_\_\_  
Mark E. Feldmann