
**Bedford Regional Water Authority – Board of Directors
Regular Board Meeting – Minutes
January 19, 2021**

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Bedford Water”) was held on Tuesday, January 19, 2021, in the Board Meeting Room in Bedford Water’s Annex building located at 1723 Falling Creek Road in Bedford County.

Members Present:..... Bob Flynn, Chair
Michael Moldenhauer, Vice Chair (Virtual from Home)
Jay Gray
Rusty Mansel
Kevin Mele
Thomas Segroves
Walter Siehien (Virtual from Blue Ridge Optics)

Members Absent: None

Staff & Counsel Present: . Brian Key – Executive Director
Nathan Carroll – Assistant Executive Director (Virtual)
Rhonda English – Director of Engineering (Virtual)
Jill Underwood – Director of Finance (Virtual)
Megan Pittman – Director of Administration (Virtual)

1. Call to Order

The meeting was called to order by the Chair at approximately 7:00 p.m. The Pledge of Allegiance and a moment of silence were conducted.

2. Review of Agenda

The following agenda was reviewed as shown.

1. Call to Order
 - a. Pledge of Allegiance
 - b. Moment of Silence
2. Review of Agenda
3. Public Comments
4. Approval of Minutes: December 15, 2020 – Regular Board Meeting
5. Executive Director’s Report: Presented by Brian Key
 - a. Introduction of New Board Members
 - i. Jay Gray
 - ii. Kevin Mele
 - iii. Rusty Mansel
 - b. Tours and Orientations for new board members
6. Financial Report: Presented by Jill Underwood
 - a. Customer Service Summary Report
 - b. Financial Statements through month end December 2020
7. Operations Report: Presented by Nathan Carroll
 - a. Work Order Summary
8. Administration Report: Presented by Megan Pittman
 - a. Public Relations Information

9. Engineering Report: Presented by Rhonda English
 - a. Projects Summary
 - b. Resolution 2021-01.01 - Burnbridge Sewer Prepayment**
10. Other business not covered on the above agenda
11. Motion to Adjourn

3. Public Comments

There were no public comments.

4. Approval of Minutes: December 15, 2020 Regular Board Meeting

The regular Board Meeting Minutes from December 15, 2020, were reviewed.

Member Gray made a motion to approve the minutes.

Member Segroves seconded the motion.

- Board member votes: 7 Aye; 0 Nay; 0 Abstain. The motion carried.

5. Executive Director's Report: Presented by Brian Key

a. Introduction of New Board Members

Mr. Key asked each new board member to briefly introduce themselves to the board. The members have also gone through an orientation with the directors and HR. Mr. Key said that the Authority's bylaws will be reviewed to see how virtual board meetings can continue once the pandemic is over.

i. Jay Gray

Mr. Gray moved to Forest from California in 2011 with his family. He is a consultant and trainer for an irrigation company; he has worked in this field since he was 16.

ii. Kevin Mele

Mr. Mele resides in Moneta and has been there for 40 years where he runs his CPA business. He is looking forward to bringing his financial expertise to the board.

iii. Rusty Mansel

Mr. Mansel has lived in Bedford for about 25 years. He retired from Henkel Corporation four years ago, specializing in adhesives with Loctite. He works for the National Parks part-time.

b. Tours and Orientations for new board members

Ms. Underwood stated that all paperwork has been received and the board's payroll should be deposited into accounts on Friday. Mr. Gray and Mr. Mele were able to tour a few of the facilities at the end of December; there are still more sites to visit, and Mr. Mansel has not had the opportunity to participate yet. Mr. Key offered the tours to the board members whenever it fits their schedule.

6. Financial Report: Presented by Jill Underwood

a. Customer Service Summary Report

As of December 31, 2020, the County CARES funding is no longer available for delinquent accounts. The disconnection moratorium is in effect until further notice. Customer Service is communicating with customers that are past due to establish repayment plans. There are currently 441 residential customers that are past due, totaling \$64,081. The BRWA has received \$22,628 in pledges from the County CARES funding. Thirty-two businesses are past due totaling \$16,924.

To compare to November's financials: the amount of payments increased 1.43%, water revenue increased 3.86%, and sewer revenue decreased 6.66%. In comparison to December 2019, water revenue increased 11.12% and sewer revenue increased 4%.

The Authority is transitioning from the current billing provider Paymentus to Invoice Cloud in mid-February. This new system has some enhanced payment capability and communication options to be more user friendly for the customer.

b. Financial Statements through month end December 2020

Ms. Underwood reviewed some of the details about the financial reports for the period ending December 2020. The targeted budget goal for December was 50%; operating revenues were 55%, and operating expenditures were 42%. The revised budget that was approved in November is reflected in the December financials.

Capital recovery fees received are 86% of the total budgeted amount, with water at 68% and sewer at 145%. There were 13 new connections in Forest and four in Moneta in December.

Ms. Underwood explained that capital recovery fees enable the customer to tap into the Authority's service for new service. This fee covers the cost of the assets the Authority has already installed to allow that service to be available for the customer. Mr. Key explained that these fees pay for current projects or are put in the setasides account and is dedicated to projects.

Mr. Siehien asked about the past due trends in the Customer Service report; Ms. Underwood expressed her concerns about this number rising due to the moratorium extending through June 2022, or until it is rescinded by the Governor.

7. Operations Report: Presented by Nathan Carroll

a. Work Order Summary

Mr. Carroll explained the work order summary breakdown with the hours and number of work orders categorized by service area. This report will change soon since the Authority is transitioning from the current system, SEMS, to Cartegraph.

Mr. Flynn suggested that Mr. Key put together a document that shows the effect of reversion on the daily workings of the Authority. Mr. Key will do this over the next few meetings, starting with the Smith Mountain Lake Water Treatment Facility and waterline extension project.

Mr. Carroll reported on the Energy Savings Performance Contract (ESCO) project that is in process at the Central WWTP. The project allows for the Authority to save energy which will cause the Authority to save money. Schneider Electric was chosen for this project and will implement a \$5.3 million upgrade to the plant that will have a \$3.8 million savings over 15 years.

Mr. Carroll also reported about the broken line on Route 122. Due to the location of this break, water is not able to be transmitted from Smith Mountain Lake to the Town of Bedford. Now water is having to be pumped from Lynchburg, due to it being a lower elevation, to the Town of Bedford. This has affected the water pressure at Lowes, including its fire suppression system. Mr. Carroll has asked Lowes for a formal request for assistance since the 122 replacement line will not be installed until, at the earliest, mid-March.

8. Administration Report: Presented by Megan Pittman

a. Public Relations Information

Ms. Pittman reviewed the articles included in the board packet, highlighting the two articles about the Broadband project and the New London disc golf course.

COVID cases have recently increased among staff; however, the Authority has continued functioning smoothly. The Authority has had 7 positive cases out of the 13 total possible cases in the last month. The decision was made to extend FFCRA to encourage employees to stay home and isolate themselves if needed.

9. Engineering Report: Presented by Rhonda English

a. Projects Summary

Ms. English highlighted the bigger projects that are in process in the report. Ms. English showed a map of interceptors that relate to the Ivy Creek Sewer Project and explained the project's design and budget of \$11 million. Mr. Key added that the Authority was able to negotiate with Bedford County to get \$500,000 for three years (\$1.5 million total) to start the project. The Route 460 Booster Pump Station project has a temporary pump set-up now and a permanent pump station will be constructed in the \$2 million project. Ms. English explained the in-progress and future replacement projects for water and sewer lines.

b. Resolution 2021-01.01 - Burnbridge Sewer Prepayment

The Board initially approved the issuance of prepayment credits for the Burnbridge Sewer project on January 15, 2019, and renewed the approval on January 21, 2020, since approval is only valid for one year per the Prepayment Policy. The County Economic Development Authority has received property owner funding, and design plans are pending approval and easements. The resolution offers an extension of the deadline for credits being issued.

At a regular meeting of the Bedford Regional Water Authority ("Authority") Board of Directors, held in the Board Meeting Room at the Authority's Administrative Annex Building on the 19th of January 2021, beginning at 7:00pm

WHEREAS, the Authority received a request from Doyle Allen and Thomas E. Scott ("Developers") for prepayment credits in the amount of \$162,000 per the Prepayment Policy 4.40 for the reimbursement of construction expenses for approximately 2,400 linear feet of 8-inch sewer line located adjacent to Burnbridge Road in Forest, Virginia ("Project"); and, **WHEREAS**, on March 25, 2019, the Bedford County Board of Supervisors authorized \$100,000 from the Cellular Lease Revenue Sharing fund to help fund this Project; and, **WHEREAS**, in their regular called meeting on April 4, 2019, the Bedford County Economic Development Authority ("EDA") authorized \$50,000 to help fund this Project; and, **WHEREAS**, the Developers and property owners ("Contributors") adjacent to the sewer line extension have entered into Escrow Agreements with the EDA and are contributing funds toward the Project construction in a combined amount of up to \$162,000; and, **WHEREAS**, the Prepayment Policy states that "Each project proposed for reimbursement shall be evaluated by the Board of Directors on a case by case basis...". The Board of Directors, and that the Policies and Projects Committee has reviewed the request at a Committee meeting that took place on December 13, 2018 and the Committee recommended approval of the issuance of the credits requested by the Developers; and, **WHEREAS**, the Prepayment Policy states that "After the Board of Directors gives approval for a project to have prepayment credits issued, the credits must be issued within one (1) year or the agreement will be void"; that the Board of Directors authorized the issuance of prepayment credits for the Project on January 15, 2019 in Resolution 2019-01.01 and further extended approval on January 21, 2020 in Resolution 2020-01.03 that becomes void on January 21, 2021; now, **THEREFORE, BE IT RESOLVED**, that the Board of Directors does hereby authorize the Director of Engineering to execute agreements with the Developers and Contributors of this Project for the issuance of prepayment credits as a reimbursement in a combined amount not to exceed one hundred sixty two thousand dollars (\$162,000.00).

Member Segroves made a motion to approve this Resolution.

Member Mele made a Second to approve.

- Board Member Votes: 7 Aye 0 Nay 0 Abstain. The motion carried.

10. Other Business

Mr. Key handed out Freedom of Information Act (FOIA) booklets and encouraged the board members to brief themselves on the rules since personal phones, computers, emails, etc. are subject to FOIA.

Mr. Flynn outlined the committee assignments: Mr. Mansel and Mr. Moldenhauer will serve on the Personnel Committee, Mr. Mele and Mr. Segroves will serve on the Finance Committee, and Mr. Siehien and Mr. Gray will serve on the Policies and Projects Committee.

11. Motion to Adjourn:

There being no further business to discuss, Member Segroves made a motion to adjourn and Member Mele seconded the motion.

- Board member votes: 7 Aye; 0 Nay; 0 Abstain. The motion carried.

The meeting adjourned at approximately 9:14 pm.

Prepared by Megan Pittman – Director of Administration
Approved: February 16, 2021