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

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Bedford Water”) was held on Tuesday, October 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
Jay Gray
Rusty Mansel
Kevin Mele
Thomas Segroves
Walter Siehien

Members Absent: None

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

1. Call to Order

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

2. Review of Agenda

The following agenda was reviewed as shown, ***with revisions shown in bolded italics.***

1. Call to Order
 - a. Pledge of Allegiance
 - b. Moment of Silence
2. Review of Agenda
3. Public Comments
4. Approval of Minutes: September 21, 2021 – Regular Board Meeting
5. Financial Report: Presented by Jill Underwood
6. Operations Report: Presented by Nathan Carroll
7. Administration Report: Presented by Megan Pittman
8. Engineering Report: Presented by Rhonda English
 - a. Project Summaries
 - b. Resolution 2021-10.01 – Amendment No. 1 to Design-Build Agreement for Route 460 Booster Pump Station
9. Legal Counsel Report
10. Executive Director’s Report: Presented by Brian Key
 - a. Personnel Committee Meeting Summary 2021-09-23
 - b. Personnel Committee Meeting Summary 2021-10-01

11. Closed Session pursuant to Section 2.2-3711 A. 1. **and A.7** of the Code of Virginia, 1950, as amended; this closed meeting is to discuss personnel matters, specifically related to the results of the compensation study **and legal advice**.
12. Other business not covered on the above agenda
13. Motion to Adjourn

3. Public Comments

There were no public comments.

4. Approval of Minutes: September 21, 2021 Regular Board Meeting

The regular Board Meeting Minutes from September 21, 2021, were reviewed.

Member Gray made a motion to approve the minutes.

Member Siehien seconded the motion.

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

5. Financial Report: Presented by Jill Underwood

a. Financial Statements through month end August 2021

The board payroll was processed; however, earning statements have not yet been put into Dropbox. Due to the change in the market, the refunding with the VRA loan will most likely not occur. The Burnbridge Sewer project funds were paid to the EDA in September. The moral obligation was received from the County. The BRWA paid the debt service (principal and interest) on the VRA payments.

At the end of September, 79 customers were past due and subject to disconnection. There is ARPA funding available to municipal utilities for past due balances from customers. The BRWA will be applying for funding in advance of the October 22, 2021 deadline.

To compare to August's financials: the amount of payments decreased 9.94%, or \$141,000. In August, there was an increase in payments as the first disconnections since March 2020 were scheduled for September.

The budget goal is 25% for September with operating revenues at 28% and operating expenses at 23%. Work is wrapping up on the audit and the final budget numbers from last fiscal year will be available in November. Adjusting entries were posted and the draft report is scheduled to be complete the last week of October. The auditors will present the report at the November Board meeting. Capital Recovery fees received so far this FY are 23% of the total budgeted amount, with water at 15% and sewer at 52%. There were 7 new connections paid for in September: 7 in Forest and 1 at Smith Mountain Lake.

6. Operations Report: Presented by Nathan Carroll

The Central Wastewater Treatment Plant project has been delayed tentatively until May/June of 2022; there will be an amendment to the contract to extend the projected completion date. The delay is due to the blowers; the majority of the order is not able to be filled due to a raw material shortage. The disc filter replacement at Smith Mountain Lake Water Treatment Facility is also delayed; the unit is in place and is being plumbed but some of the peripheral parts are causing delays in completing the project. This is significant since it has been an ongoing issue for years and without the temporary filter, the permit limits cannot be met. The Town's ISO regrading process is still moving forward.

Mr. Gray asked if any delays were costing the BRWA a substantial amount of money. Mr. Carroll replied that the disc filter project is being billed to Black & Veatch and OCI and the Central WWTP is a loss of planned energy savings. The biggest potential bind could be pipe and smaller parts for waterline installations with the CIP crew. Ductile iron pipe is delayed by 6-9 months.

7. Administration Report: Presented by Megan Pittman

Ms. Pittman reviewed the news articles included in the packet.

She also briefed the board on the COVID vaccine incentive program. As of today 42 employees have had one or both vaccine shots. Eight staff members have gotten the vaccine during the program.

Ms. Pittman also explained that the Personnel Committee reports are included under Mr. Key's report since she was unable to attend the last meeting, and it will allow the board to easily transition into Closed Session.

8. Engineering Report: Presented by Rhonda English

a. Project Summaries

Ms. English said that pipe delays may delay the Ivy Creek project. The continued delay caused by the environmental assessment may help allow supply and demand to even out as the costs of items that have quadrupled since the initial proposal. Whitney Quarles, the BRWA's Engineering Manager, is at the County Planning Commission meeting for the Moneta Park special review project. The parking lot may also incur delays with the paving pending delivery of the storm structures; however, there is quite a bit of progress. The engineering team has been preparing for the upcoming ARPA projects. This past month there were two developer dedications.

Mr. Flynn asked if the Town project funds had been received. Mr. Key said that the next step is drafting an agreement between the Town and the BRWA. After the agreement is finalized and signed, the funds will be available to the BRWA. Mr. Flynn asked where the Moneta Park waterline runs. Ms. English said it runs to the rec field where it ends at the master meter. The County does not have plans to go any further than the park at this time.

b. Resolution 2021-10.01 – Amendment No. 1 to Design-Build Agreement for Route 460 Booster Pump Station

This resolution would authorize the Design-Builder to proceed with the construction of the Route 460 Pump Station (East Crest Booster Station) and acknowledge a revised project budget. Due to rising material costs, the final project cost exceeds the original budgeted amount of \$2 million.

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 day of October 2021, beginning at 7:00pm:

WHEREAS, the Bedford Regional Water Authority (the "Authority") executed a Comprehensive Agreement dated December 18, 2020 ("Agreement") with E.C. Pace Company, Inc. ("E.C. Pace") for the Progressive Design-Build services selected by the Authority for the Ivy Creek Interceptor, Divisions 5 and 6, and Route 460 Booster Pump Station Projects ("Projects") as procured in accordance with the Public Private Educational Facilities and Infrastructure Act of 2002; and,

WHEREAS, under the terms of the Agreement, the Authority negotiated a lump sum fixed price with E.C. Pace for the scope of services and terms for the Route 460 Booster Pump Station ("Booster Station") as defined in Amendment No. 1 ("Amendment"); and,

WHEREAS, the total cost for the Booster Station is estimated to be \$2,300,000, to include \$89,000 for Preliminary Stage Services, \$2,123,813 in Completion Stage services, and the remaining toward permitting, utilities, and other services performed outside of the Agreement; and,

WHEREAS, the Booster Station will be funded through residual funds from the 2015 VRA Bond; and,

WHEREAS, the draft Amendment has been provided to the Board of Directors for their review, and the Board of Directors has reviewed the scope of work and pricing identified in the Amendment, and have concluded that the Authority would like to proceed with the Completion Stage services from E.C. Pace for the Booster Station, and,

WHEREAS, the Executive Director will execute the Amendment following the review, editing, and approval from legal counsel; now,

THEREFORE, BE IT RESOLVED, that the Executive Director of the Authority is hereby authorized to proceed with construction of the Booster Station and execute Amendment No. 1 with E.C. Pace for the Completion Stage of the Booster Station in the amount of \$2,123,813.

Member Gray 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.

9. Legal Counsel Report

Mr. Key suggested that the board hold off on discussing the report until the Closed Session.

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

a. Personnel Committee Meeting Summary 2021-09-23

The purpose of the meeting was to discuss the compensation study. At the first meeting, Jada Kent from Baker Tilly presented their results to the committee. The members asked for more scenarios and time to review the report.

b. Personnel Committee Meeting Summary 2021-10-01

Extra documentation was prepared for this meeting to discuss the study in more depth. The committee would like to go into detail about the report and their recommendations in Closed Session.

11. Closed Session pursuant to Section 2.2-3711 A. 1. And A.7 of the Code of Virginia, 1950, as amended; this closed meeting is to discuss personnel matters, specifically related to the results of the compensation study and legal advice.

Mr. Moldenhauer moved that the Board of Directors go into Closed Meeting pursuant to Section 2.2-3711 A.1 and A.7 of the Code of Virginia (1950), as amended, to discuss personnel matters, specifically related to the result of the compensation study. Mr. Segroves seconded the motion.

- Board Member Votes: 7 Aye; 0 Nay; 0 Abstain. The motion carried.
- The board entered into closed session at approximately 7:29 pm.
At approximately 9:09 pm Mr. Moldenhauer moved that the board exit closed session and return to open session. Mr. Siehien seconded the motion.
 - Board Member Votes: 7 Aye; 0 Nay; 0 Abstain. The motion carried.
- The Board of Directors took a roll call vote certifying that to the best of the members' knowledge only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the meeting by the public body.
 - Board member votes:

- Aye: Bob Flynn, Jay Gray, Rusty Mansel, Kevin Mele, Michael Moldenhauer, Thomas Segroves, Walter Siehien
- Nay: None
- The motion passed.

12. Other Business

The board recommended that Mr. Key move forward with the compensation study recommendations and base level adjustments discussed in Closed Session.

Mr. Key met with the Town about the ARPA funds. The Town gave \$4.5 million for three BRWA projects: the Bell Town Road project, the water storage tank at Helm Street, and the replacement of sewer lines in the Town and Country subdivision. The current funding excludes the booster station. If the County gives ARPA funding for this project, the Town may agree allocate more funds for it.

Mr. Flynn and Mr. Key will attend a County work session next week to make a presentation about potential projects for ARPA funding.

13. Motion to Adjourn:

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

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

The meeting adjourned at approximately 9:22 pm.