
**Bedford Regional Water Authority – Board of Directors
Regular Board Meeting – Minutes
November 15, 2022**

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Bedford Water”) was held on Tuesday, November 15, 2022, 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
Kevin Mele
Rusty Mansel
Thomas Segroves
Walter Siehien

Members Absent: None

Staff & Counsel Present: . Brian Key – Executive Director
Jill Underwood – Director of Finance (Virtually)
Megan Pittman – Director of Administration

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. Revisions are shown in ***bold italics***.

1. Call to Order
 - a. Pledge of Allegiance
 - b. Moment of Silence
2. Review of Agenda
3. Public Comments
4. Approval of Minutes: October 18, 2022 – Regular Board Meeting
5. Financial Report: Presented by ***Brian Key***
 - a. Financial Statements through month end October 2022
 - b. FY 2021-2022 Audit Presentation
6. Administration Report: Presented by Megan Pittman
7. Executive Report: Presented by Brian Key
 - a. Tasks Summary
 - b. Project Summaries
 - c. ***Closed Session pursuant to Section 2.2-3711 A. 5. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a business as to which no previous public announcement has been made.***
 - d. Resolution 2022-11.01: Sewer Capacity
 - e. ***Westyn Village Agreement***
 - f. Resolution 2022-11.02 Prepayment Agreement
 - g. ***Closed Session pursuant to Section 2.2-3711 A. 1. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a personnel matter.***

8. Other business not covered on the above agenda
9. Motion to Adjourn

Member Gray made a motion to approve the revised agenda.

Member Mele seconded the motion.

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

3. Public Comments

Thomas Bell, a developer, spoke about the pump station in Westyn Village. The pump station has a capacity for about 90 apartments. He has been working to have the fees prorated to bring apartments online in December. He briefly spoke about the anticipated schedule.

4. Approval of Minutes: October 18, 2022 Regular Board Meeting

The regular Board Meeting Minutes from October 18, 2022, were reviewed.

Member Mele 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 Brian Key

a. Financial Statements through month end October 2022

The budget goal was 32% for October with operating revenues at 33% and operating expenses at 27%. Capital Recovery fees received this FY are 51% of the total budgeted amount, with water at 57% and sewer at 38%.

b. FY 2021-2022 Audit Presentation

Travis Gilmer with Brown Edwards gave a presentation about the audit report that was included in the board packets. There were no questions from the Board.

6. Administration Report: Presented by Megan Pittman

Ms. Pittman showed the board the new website that went live since the last board meeting. This project was completed by Cody Lawhorn, Marketing Communications Specialist, and should go a long way in making the BRWA more customer and public-friendly.

Ms. Pittman mentioned two events: the ESCO Ribbon Cutting was scheduled for Thursday, December 8th at noon at the Central Wastewater Treatment Plant. However, due to a finding today, the event will be pushed to 2023. The staff Winter Luncheon will be held at The Bedford Columns on Friday, December 16th at noon. Board members please need to let Ms. Pittman know if they are attending.

7. Executive Report: Presented by Brian Key

a. Tasks Summary

Mr. Key said that the summary will be included in the packet each month unless otherwise requested. Mr. Mansel stated he thought it was important to keep it in the packet, and Mr. Gray said that it is helpful for the data if ever asked about it.

b. Project Summaries

There are many active projects. The Harmony project is in the process of being closed out. It is the Authority's understanding that the developer proposing the new project near the Elks Home is in the process of determining how the subdivision will be laid out. The BRWA will continue working to improve the sewer system to allow more capacity.

Mr. Key pointed out the CIP report is now an online Excel file that managers can update. The pump station on 460 has its pumps installed and SCADA was programmed today. The goal is to have it finished by the end of the year. The BRWA is making improvements to the SCADA system, with four new servers being brought online. Mr. Key would like to show the board the finished 460 pump station site prior to a board meeting.

- c. Closed Session pursuant to Section 2.2-3711 A. 5. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a business as to which no previous public announcement has been made.

Member Moldenhauer moved that the Board of Directors go into Closed Meeting pursuant to Section 2.2-3711 A.5 of the Code of Virginia (1950), as amended. Member Segroves seconded the motion.

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

- The board entered into closed session at approximately 7:48 pm.

At approximately 8:18 pm Member Segroves moved that the board exit closed session and return to open session. Member Mele seconded the motion.

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

- Member Flynn moved that the Board of Directors take a roll call vote certifying that to the best of the member's 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:
 - o Aye: Bob Flynn, Jay Gray, Rusty Mansel, Kevin Mele, Michael Moldenhauer, Thomas Segroves, Walter Siehien
 - o Nay: None
 - o The motion passed.

- d. Resolution 2022-11.01: Sewer Capacity

This resolution would commit the Authority to sufficiently increasing the sewer capacity in the drainage area served by the Nichols Road and Whitfield Drive sewer lift stations such that a development could be served if it were located on Burks Hill Road near the Bedford Welcome Center.

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 15th day of November 2022, beginning at 7:00pm:

WHEREAS, the Bedford Regional Water Authority (the "Authority") is a public service authority formed and existing in accordance with the provisions of Chapter 51 of Title 15.2 of the Code of Virginia, 1950, as amended, the Virginia Water and Waste Authorities Act §§ 15.2-5100-15.2-5159 (the "Act"); and,

WHEREAS, the Authority owns and operates the sewer system that serves many of the land parcels located in the Town of Bedford "Town" which is located inside of the County of Bedford "County"; and,

WHEREAS, the sewer system in the western end of Town has limited capacity in lift station #1 on Nichols Road and in lift station #2 on Whitfield Drive which would restrict the ability to allow additional sewer connections which would generate significant wastewater flows in the western drainage area; and,

WHEREAS, the County Board of Supervisors adopted resolution R110722-21 on November 7, 2022 to provide up to \$220,000 of support to upgrade the sewer system in the western end of the Town to serve the Burks Hill Road Area; and,

WHEREAS, the Town Council adopted a resolution dated November 7, 2022 to provide up to \$220,000 of support to upgrade the sewer system in the western end of the Town to serve the Burks Hill Road Area; and,

WHEREAS, the Authority will collect the standard fees, including the capital recovery fees, as properly adopted per the Act and as documented in the Authority's rate policy 2.00; now,

THEREFORE, BE IT RESOLVED, that the Board of Directors of the Authority hereby appropriates up to \$220,000 to provide a one-third (1/3) match to the County and Town contributions for the project as stated herein, and that the Board of Directors authorize the Executive Director to take such actions as necessary to make this resolution take effect; and,

BE IT FURTHER RESOLVED, that upon receipt of the above stated payments from the County and the Town for the sewer lift station improvements, and that upon receipt of the standard connection fees including the water and sewer capital recovery fees, the Authority will provide the sewer connection for the proposed facility that has not been announced on Burks Hill Road.

Member Gray made a motion to approve resolution 2022-11.01.

Member Siehien seconded the motion.

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

e. Westyn Village Agreement

This development has one large meter to serve the apartments. The master meter will need to be only partially utilized because if it were fully used it would overwhelm the sewer system. The agreement will put restrictions on how many units will be able to use the meter. The agreement is still being finalized with the goal to meet the developer's timeframe in December. This agreement must be approved by the board. To meet this deadline, the board decided to have a special called meeting on November 29th at 7 pm to review the agreement.

f. Resolution 2022-11.02: Prepayment Agreement

The issuance of prepayment credits for Westyn Village LLC to perform upgrades to the Forest Middle School Lift Station was previously approved by the Board on October 20, 2020, and renewed on November 16, 2021. Since approvals are only valid for a one-year period per the Prepayment Policy, the resolution would offer an extension of the deadline for prepayment credits being issued.

As Capital Recovery Fees have increased since the original request, and Westyn Village Phase 3 is now proposed to be within the same parcel as Phase 2 and thus behind the same master meter, updated fees anticipated from full buildout of the subdivision were provided.

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 15th of November 2022, beginning at 7:00pm

WHEREAS, the Authority received a request from Westyn Village LLC ("Developer") for prepayment credits in the amount of \$602,820 per the Prepayment Policy 4.40 ("Policy") for the reimbursement of construction expenses for upgrades to the Authority's Forest Middle School Lift Station ("Station") in Forest, Virginia ("Project"); and,

WHEREAS, remaining capacity of the Station is unable to support Westyn Village Phase 2 and Phase 3 (“Development”) as proposed by the Developer, or support further development in the drainage area of the Forest Middle School Lift Station; and,
WHEREAS, the Developer agrees to upgrade the Station to provide a minimum additional capacity of 25,000 gallons per day average and 44 gallons per minute peak flow above and beyond the additional capacity needed to serve their development; and,
WHEREAS, the Authority desires to bring the Station up to its current standards which contributes to increased costs for the Project as provided by the Developer; and,
WHEREAS, the Authority will require surety for the Project and anticipates partial issuance of Prepayment credits in up to four phases based upon progress of construction and verified construction payments, with the final credits to be issued upon construction completion and verification of costs; and,
WHEREAS, the Policy states that “Each project proposed for reimbursement shall be evaluated by the Board of Directors on a case by case basis”, and the Policies and Projects Committee (“Committee”) has reviewed the request at a Committee meeting that took place on October 13, 2020; and,
WHEREAS, the Committee recommended partial approval of the prepayment credit issuance requested by the Developer with the requirement that the Developer hold some financial responsibility towards the Project cost; 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 October 20, 2020 in Resolution 2020-10.01 and further extended approval on November 16, 2021 in Resolution 2021-11.01 that becomes void on November 16, 2022; and,
WHEREAS, the Developer has provided final contracted cost of the Project as \$793,692; now,
THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the Deputy Director to execute an agreement with the Developer for the issuance of prepayment credits as a reimbursement of the Project in an amount up to \$693,692 and not to exceed \$100,000 less than the verifiable costs of construction for the Project.

Member Moldenhauer made a motion to approve resolution 2022-11.02.

Member Siehien seconded the motion.

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

- g. Closed Session pursuant to Section 2.2-3711 A. 1. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a personnel matter.

Member Moldenhauer moved that the Board of Directors go into Closed Meeting pursuant to Section 2.2-3711 A.1 of the Code of Virginia (1950), as amended.
Member Segroves seconded the motion.

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

- The board entered into closed session at approximately 8:46 pm.

At approximately 9:02 pm Member Gray moved that the board exit closed session and return to open session. Member Moldenhauer seconded the motion.

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

- Member Flynn moved that the Board of Directors take a roll call vote certifying that to the best of the member’s 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.

8. Other Business

No other business was discussed.

9. Motion to Adjourn:

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

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

The meeting adjourned at approximately 9:07 pm.

Prepared by Megan Pittman – Director of Administration
Approved: Decembe 20, 2022