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**Bedford Regional Water Authority – Board of Directors  
Regular Board Meeting – Minutes  
February 21, 2023**

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Bedford Water”) was held on Tuesday, February 21, 2023, 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  
Jay Gray, Vice Chair  
Donald Barger, Jr.  
Rusty Mansel  
Michael Moldenhauer (Virtually)  
John Sharp

Members Absent: ..... Kevin Mele

Staff & Counsel Present: . Brian Key – Executive Director  
Rhonda English – Deputy Director  
Jill Underwood – Director of Finance  
Thomas Cherro – Director of Operations  
Megan Pittman – Director of Administration (Virtually)

**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. Welcome New Board Member
4. Public Comments
5. Approval of Minutes: January 17, 2023 – Regular Board Meeting
6. Executive Report: Presented by Brian Key
  - a. Carpe Diem / Source 4
  - b. Systematic Summary: Stoney Creek Reservoir
  - c. January 31, 2023 Meeting with Board of Supervisors Water and Sewer Committee
    - i. ARPA funding
    - ii. Sunset Clause
7. Financial Report: Presented by Jill Underwood
  - a. Financial Statements through month end January 2023
  - b. Exception to Policy 2.40 Adjustments
8. Operations Report: Presented by Tom Cherro
9. Administration Report: Presented by Megan Pittman
  - a. Public Relations Information
  - b. Professional Photos

c. Charity Support

10. Projects Report: Presented by Rhonda English

11. Other business not covered on the above agenda

12. Motion to Adjourn

**3. Welcome New Board Member**

Mr. Flynn welcomed Mr. John Sharp as the new board member. He is a District 4 Supervisor for Bedford County. Mr. Sharp said that he hoped to be an open channel between the Board of Supervisors and the BRWA.

**4. Public Comments**

There were no public comments.

**5. Approval of Minutes: January 17, 2023 - Regular Meeting**

The regular Board Meeting Minutes from January 17, 2023, were reviewed.

Member Gray made a motion to approve the minutes.

Member Mansel seconded the motion.

- Board member votes: 5 Aye; 0 Nay; 1 Abstain. The motion carried.

**6. Executive Report: Presented by Brian Key**

a. Carpe Diem / Source 4

There were two members, Dan Siadak and Todd Winterfeldt, from Carpe Diem and Source 4 to speak on this topic. Mr. Winterfeldt said that the building was built in 1991 and had an 8-inch fire suppression pipe and a 1.5-inch pipe for water usage. A gym was built in one wing of the building and the water bill became about \$500-\$600 per month. The gym went out of business during Covid; the bill was about \$700 per month at that time. A 43,000-square-foot warehouse addition was built that had no water usage except fire suppression. A meter vault had to be built for \$80,000 and a pump house for \$140,000. A \$24,400 bill was received from the BRWA for the difference in Capital Recovery Fees between the previous 1.5-inch meter and the 2-inch meter of the new 8-inch by 2-inch assembly. The base water charge went from \$90 to \$1,470. They met with Mr. Key and he suggested that they consider the feasibility of switching out the 8-inch by 2-inch meter assembly with a 6-inch by 1.5-inch meter which would help reduce fees. The fire suppression company would not sign off on this and no contractors would perform this without the fire company's approval. They would like to see if there is any grant money or financial assistance available from the BRWA. Their water/sewer bill is around \$2400 a month.

Mr. Key explained the history of how the BRWA charges on the large size of the meter for fire suppression when Capital Recovery Fees are paid on the smaller meter size. The businesses pay for the capability to use the water. Mr. Key explained that the BRWA has a small economic development fund that the BRWA can use to match what the EDA grants.

The board asked clarifying questions.

b. Systematic Summary: Stoney Creek Reservoir

Mr. Key presented a slideshow with the history of the Stoney Creek Reservoir.

c. January 31, 2023 Meeting with Board of Supervisors Water and Sewer Committee

i. ARPA funding

There are three projects identified that would be beneficial to receive ARPA funds: Ivy Creek Sewer, Route 460 Water Booster Station, and Helm Street Tank.

ii. Sunset Clause

There was a request that after the capital cost is recovered for fire suppression, the customer is then charged base fees on the small side of the meter. Eventually, revenue will decline if this is put into place and it would need to be made up in other ways. On the management side, this would be challenging to do based on the length of time for this clause to go into effect. The board discussed the pros and cons of this issue.

**7. Financial Report: Presented by Jill Underwood**

a. Financial Statements through month end January 2023

For the Customer Service report, the usage and revenue for bulk water usage is not reported (lines 31-33), due to damaged equipment due to the cold at the end of December. The required parts are on order.

The budget goal was 58% for January with operating revenues at 72% and operating expenses at 49%. There is a discrepancy with sewer revenue for January. The correction was made in February and will be reflected in February's financials. Capital Recovery fees received this FY are 89% of the total budgeted amount, with water at 91% and sewer at 84%.

The BRWA is working on an RFP for audit services, including a single audit that will be required due to the funding for the Ivy Creek project.

There is a new accounting standard for this year, related to subscription-based information technology agreements. Staff are working to collect agreements for review and implementation.

Finance is working on the first draft of the FY 2024 budget. The Finance Committee meets on March 8th.

b. Exception to Policy 2.40 Adjustments

Ms. Underwood worked with a customer whose adjustment request did not meet the criteria in the adjustment policy. Since the customer asked for a sewer-only adjustment, staff used the 12 months of highest consumption, compared to the 12 months of lowest consumption to calculate a sewer adjustment in the amount of \$341.20. This adjustment was processed on his account today and is being reported to the Board based on the appeal section of the policy.

**8. Operations Report: Presented by Tom Cherro**

An electrical assessment was completed at Central Water Treatment Plant and the BRWA is waiting on the results to prioritize what needs to be fixed.

There is a scheduled outage for Franklin County's water supply due to a construction project. The BRWA and WVWA have been working together on this. There will be new valves installed for Bedford Weaving over the weekend to create better isolation if water needs to be shut off.

The ESCO project is 98% done at Central Wastewater Plant.

**9. Administration Report: Presented by Megan Pittman**

a. Public Relations Information

Ms. Pittman mentioned the one article in the board packet and asked if the board had any questions.

b. Professional Photos

Ms. Pittman has tentatively scheduled a professional photographer to take headshots for the board members before the March board meeting. She will coordinate this through email to have everyone sign up for a time slot that works best with their schedule. A group photo will be done as well.

c. **Charity Support**

There has been discussion about the BRWA supporting a charity. Ms. Pittman explained the local charities that the BRWA staff has chosen to support. Mr. Gray explained his private company's alignment with Charity: Water. He wanted to bring up for discussion if this is an organization that the BRWA would like to bring awareness to.

**10. Projects Report: Presented by Rhonda English**

Ms. English stated she would email the updated acronym list to the Board as she previously provided to some of the newer board members. The Ivy Creek project is underway. They are working on easement clearing and a pre-construction meeting will take place this week. The 460 pump station is substantially complete. Communication with the Town is improving, although there are still a few issues, like the new YMCA daycare that has been connected to the sewer without the BRWA's knowledge. There is a meeting with the National Park Services about the Peaks of Otter to work on sewer flow issues. There is considerable revenue loss monthly from Parks Services due to services not being properly metered and billed. Staff will also be looking into a similar setup for Bedford Weaving.

**11. Other Business**

There was no other business discussed.

**12. Motion to Adjourn:**

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

Board Member Votes: 6 Aye, 0 Nay, 0 Abstain. The motion carried.

The meeting adjourned at approximately 9:10 pm.

Prepared by Megan Pittman – Director of Administration

Approved: March 21, 2023