Bedford Regional Water Authority

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Bedford Regional Water Authority – Board of Directors
Regular Board Meeting – Minutes
August 19, 2025

A regular meeting of the Board of Directors of the Bedford Regional Water Authority ("Bedford Water") was held on Tuesday, August 19, 2025, 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.
Kevin Mele
Michael Moldenhauer
Steve Rush
John Sharp

Members Absent:............ none

Staff & Counsel Present:. Brian Key – Executive Director
Jill Underwood – Director of Finance
Thomas Cherro – Director of Operations

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: June 17, 2025 – Regular Board Meeting
5. Financial Report: Presented by Jill Underwood
6. Operations Report: Presented by Thomas Cherro
7. Administration Report: Presented by Brian Key
8. Projects Report: Presented by Brian Key
9. Executive Report: Presented by Brian Key
   a. Resolution 2025-08.01: Policies
   b. Resolution 2025-08.02: Montvale Water
   c. Board meeting schedule
10. Other business not covered on the above agenda
11. Motion to Adjourn

3. Public Comments

Ms. Leighton stated her opinion on which day would be best for her to attend the board meetings.

4. **Approval of Minutes:** June 17, 2025 – Regular Board Meeting

The regular Board Meeting Minutes from June 17, 2025, were reviewed.

Member Rush made a motion to approve the minutes.

Member Mele seconded the motion.

- Board member votes: __7__ Aye; __0__ Nay; __0__ Abstain. The motion carried.

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

The Customer Service statistical report was included in the packet. The budget goal was 100% for June, with operating revenues at 107% and operating expenses for the month totaling 92%. These are not final numbers, as there are adjusting entries that will be posted as part of the audit. The July balance sheet will not be available until the year is closed out and balances are brought forward. Capital Recovery fees received last FY are 92% of the total budgeted amount; water is at 98%, and sewer is at 79%. The budget goal was 8.00% for July, with operating revenues at 9% and operating expenses for the month totaling 6%. Capital Recovery fees received this FY are 8% of the total budgeted amount; water is at 7%, and sewer is at 10%.

Brown, Edwards will be onsite the weeks of August 18th and 25th for the fieldwork portion of the audit. The budget book was submitted to GFOA for their awards program.

The board asked questions about bulk fill stations, and staff provided a response to their questions.

6. **Operations Report: Presented by Thomas Cherro**

Mr. Cherro stated that the hours spent in Montvale are increasing due to the CIP team installing isolation valves in the area. Mr. Key gave a short overview of how Montvale Water approached the BRWA due to their challenges maintaining the system and asked the BRWA to create a letter of intent to transfer Montvale Water to the BRWA and provide intermediary help during the transition process. Staff are helping with locating, changing out meters, and making repairs; however, billing is still being done by Montvale until the transfer is complete. The estimated timeline is to have Montvale transfer to the BRWA by the end of 2025.

The GAC building for the Smith Mountain Lake Water Treatment Facility had a change order of $30,000 for the building's doors, which includes a 15% discount. The Winoa lift station was sent out to bid on Monday. Phase 1 for Turkey Mountain's electrical upgrade is also out for bid.

Questions about a recent major water leak were answered.

7. **Administration Report: Presented by Brian Key**

Mr. Key reviewed the media articles included in the packet. Highlights include the Water Tower Showdown, Helm Street Tank Ribbon Cutting, and the awards the BRWA is nominated for. Mr. Sharp requested pictures of the winners of the Water Tower Showdown. Mr. Key said they will be included in the week's BRWA online newletter "the Pipeline".

8. **Projects Report: Presented by Brian Key**

Mr. Key said that the Ivy Creek project is continuing slowly and gave a few details about the challenges occurring on site.

9. Executive Report: Presented by Brian Key

a. Resolution 2025-08.01: Policies

There are two polices that staff are recommending for approval with this resolution:

1) Policy 1.40 Governing Principles: Staff would like to add the word "Safety" to the list of values. The values are about how the BRWA does the work, and they are an expression of what is most important to the BRWA as work is performed; adding this word to the values list is to emphasize the importance of working safely.

2) Policy 20.11 Leave: As can be seen in the markup of the policy in the board packet, it is being recommended that Section 8 is added to the policy to clarify the accrual of leave during extended leave. The board also discussed an item that was initially put into the policy for revision and then removed. This would allow leadership, at the time of hire, to offer a different accrual of PTO based on their VRS tenure from other localities. Instead of making this fixed as a policy, staff would rather have this as an option for recruitment, but not a guarantee. The board agreed this was a good recruitment tool, and to allow staff to have flexibility as needed for recruitment.

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 August 2025, beginning at 7:00 p.m.:

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 desires to have a comprehensive set of policies governing the manner in which the Authority conducts its regular business, and the Authority directs that these policies be grouped together into an operating policy manual; and,

WHEREAS, staff are recommending minor changes to the Governing Principles Policy 1.40 and to the Leave Policy 20.11; and,

WHEREAS, the Board of Directors of the Authority has reviewed the proposed changes to the policies stated above, and concur with the recommendation to make the changes; now,

THEREFORE, BE IT RESOLVED, that the Board of Directors of the Bedford Regional Water Authority does hereby approve of the changes presented to the Board for the policies listed above.

Member Moldenhauer made a motion to approve this Resolution.

Member Rush made a Second to approve.

Board Member Votes: __7__Aye __0__Nay __0__Abstain. The motion carried.

b. Resolution 2025-08.02: Montvale Water

Included in the board packet is the letter of intent that was signed on July 3, 2025, to begin the process of evaluating the Montvale Water System and operating the system during an interim period while agreements are drafted and approvals are pursued.

Also included in the board packet is the grant approval from the Virginia Department of Health; the grant is to provide funding to make the ownership transfer less of a financial burden and to improve service to the Montvale community.

Mr. Key reviewed these documents with the board during the meeting and answered clarification questions. The board encouraged having an informational session for Montvale customers, along with the current outreach methods that the teams are already doing.

> 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 August 2025, beginning at 7:00pm:
>
> **WHEREAS**, the Authority has been requested by Montvale Water Incorporated ("MWI") for the Authority to take ownership of the Montvale Water Company private water system ("System") serving the Montvale community; and,
>
> **WHEREAS**, due to the emergency situation where the community was suffering significant prolonged water outages due to the damages to the System occurring from a contractor installing fiber optic internet service throughout the Montvale service area, the Authority signed an Agreement of Intent dated July 3, 2025 to begin the process of evaluating and operating the system and to work towards and ownership transfer; and,
>
> **WHEREAS**, the Virginia Department of Health has provided grant funding to reimburse the Authority for the work involved in repairing the System and work related to preparing System to make it ready for an ownership transfer; now,
>
> **THEREFORE, BE IT RESOLVED**, that the Executive Director of the Authority is hereby authorized to execute an Agreement with MWI and/or their successors and/or trustees, as prepared and approved by the Authority's legal counsel, and the Executive Director is authorized to sign any and all documents to assume ownership and operational maintenance responsibility for the water system serving the Montvale community.

Member Sharp made a motion to approve this Resolution.

Member Rush made a Second to approve.

Board Member Votes: __7__Aye __0__Nay __0__Abstain. The motion carried.

c. Board meeting schedule

The board members discussed the options of moving the board meeting time and day of the week; Chairman Flynn requested that the board think about alternate schedules, and be prepared for further discuss potential changes at the September meeting.

10. Other Business not covered on the above agenda

The Town is going to discuss the reservoir property transfer at their August 26th meeting.

A third party contractor has contacted the BRWA about becoming a part of the demand response program. This program would use the BRWA's generators to take load off the electrical grid if needed during peak periods or emergencies. There is no financial liability to the BRWA for participation, and the BRWA could generate revenue annually, even if the generators are not used. The board agreed to allow the Executive Director to proceed with executing agreements as needed to participate in the energy programs.

11. Motion to Adjourn:

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

Board Member Votes: __7__Aye, __0__Nay, __0__Abstain. The motion carried.

The meeting adjourned at approximately 9:04 pm.

Prepared by Megan Pittman – Director of Administration
Approved: September 16, 2025