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Bedford Regional Water Authority – Board of Directors
Regular Board Meeting – Minutes
September 16, 2025

A regular meeting of the Board of Directors of the Bedford Regional Water Authority ("Bedford Water") was held on Tuesday, September 16, 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 (virtually)
Donald Barger, Jr
Kevin Mele
Michael Moldenhauer
Steve Rush
John Sharp

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

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. Public Comments
4. Approval of Minutes: August 19, 2025 – Regular Board Meeting
5. Financial Report: Presented by Jill Underwood
   a. Financial Statements through month end August 2025
   b. Resolution 2025-09.01: Policies
6. Operations Report: Presented by Thomas Cherro
7. Administration Report: Presented by Megan Pittman
8. Projects Report: Presented by Rhonda English
9. Executive Report: Presented by Brian Key
   a. BRWA Meeting Schedule
   b. Reservoir Land
   c. Montvale Water Transfer Update
10. Other business not covered on the above agenda
11. Motion to Adjourn

3. Public Comments

Whit Johnston lives on 2465 Cottontown Road in Forest; he spoke about his property and the Ivy Creek Interceptor Project; he stated that the project has caused him considerable concern over the past few years. He said that he was attending the meeting ot voice his objections to some of the terms of an easement that was being requested from him. He also voiced his displeasure with the notification process when there was a sewer system failure that caused sewage to go into Ivy Creek.

Mr Key explained that the easement through Mr. Johnston's property is essential to this project, and they must work with him to come to a resolution. He also explained that the system failure was due to ruptured valve on the forcemain leaving the Lake Vista lift station, and that caused the sewage overflow. This project should help reduce future sewage overflows, because the lift station and forcemain will be taken offline at the end of the project. Mr. Key also stated that the BRWA has never had a procedure for informing the public of sewer breaks, and he acknowledged that this is an opportunity for the BRWA to improve.

4. Approval of Minutes: August 19, 2025 – Regular Board Meeting

The regular Board Meeting Minutes from August 19, 2025, were reviewed.

Member Moldenhauer 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

a. Financial Statements through month end August 2025

The Customer Service statistical report was included in the packet. The budget goal was 16.67% for August, with operating revenues at 18% and operating expenses for the month totaling 13%. There are adjusting entries that will be posted as part of the audit. Capital Recovery fees received this FY are 11% of the total budgeted amount; water is at 12%, and sewer is at 10%. There are several accounts nearing 100%, as there are annual (one-time) payments made in July.

Ms. Underwood explained that Finance was working on wrapping up the inquiry process of the audit and moving to the review and report. The audit will either be reported to the board in October or November.

b. **Resolution 2025-09.01: Policies**

There were four polices that staff recommended for approval with this resolution; these policies had been reviewed by the Finance Committee:

1) Policy 2.11 Billing and Payments: As a result of an adjustment that was processed and resulted in a credit on an account, revised language was needed in this policy.
2) Policy 10.10 Purchasing: As the BRWA has procured term contractors, language was needed to clarify this practice while still adhering to purchase limits. There was also some additional guidance needed related to contracts and the option of using escrow accounts
3) Policy 10.12 Purchasing Cards: There have been some position title changes, as well as procedure changes with how receipts are submitted to Finance.
4) Policy 10.50 Grant Administration: This is a new policy as an audit recommendation based on compliance with the Uniform Guidance. A new draft was added after the packet due to a change in the code

after the packets went out. This update was emailed to the board and dropped separately in Dropbox.

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 16th day of September 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 Billing and Payments Policy 2.11, Purchasing Policy 10.10 and to the Purchasing Card Policy 10.12. In addition, staff are recommending a new policy for Grant Administration Policy 10.50; and,

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

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

On behalf of the Finance Committee, Member Mele made a motion to approve this resolution.

Being a motion from the committee, no second motion was needed.

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

6. Operations Report: Presented by Thomas Cherro

Mr. Cherro reviewed the reports in the board packet. Mr. Gray asked if Mr. Cherro anticipated the Montvale work hours continuing to be high or will they would taper down. Mr. Cherro stated that many of those hours were the CIP team switching out valves or servicing leaks. It's hard to predict if the hours will diminish due to the condition of the system. The biowheel was fixed last week for the Montvale sewer system. The Turkey Mountain Phase 1 electrical was put out to bid. Due to only receiving one bid over $200,000, an official RFP now has to be issued. The Winoa project recently went out to bid; the lowest bid was about $4,000 over budget.

7. Administration Report: Presented by Megan Pittman

Ms. Pittman reviewed the one new article included in the board packet. She also mentioned that the BRWA will be attending Centerfest next weekend. Staff also hosted a booth at the Carnival and met with a few hundred people. Communications staff are currently working with local schools, preparing to host all of the sixth graders (around 600) at the end of October and beginning of November. The BRWA will also be hosting a few wastewater tours in the next month, which is a newer addition to our tours.

With the inclusion of Safety in the values, the BRWA has been working to have it be in the forefront of thought more. One way this is being done is with Toolbox Talks, which every team is doing at least once a week.

8. Projects Report: Presented by Rhonda English

Ms. English said that if no resolution is reached with Mr. Johnston by the next board meeting, a resolution will be presented at the board meeting next month. This is to allow an advertised hearing, and usually, an agreement is reached before eminent domain is enacted. Ms. English thinks that the project will not be done by the end of the year, but delayed to the beginning of next year with timeframe pending receipt of the Johnston easement. Mr. Johnston has been compensated $8,591 for his combined property easements.

The team is trying to fill the Helm Street tank, and it's not filling as quickly as it should; the team is troubleshooting it. A Director of Engineering or Manager has been posted to help provide more support to the Engineering division.

9. Executive Report: Presented by Brian Key

a. BRWA Meeting Schedule

This item is on the agenda as a follow-up from the August meeting. Mr. Key added that the Town is proposing to change its meeting to the third Tuesday of the month at 7pm as well. The board decided no change would be made to the meeting date and time.

b. Reservoir Land

The BRWA's attorney, Watts Burks, is working with the Town for an agreement about the reservoir land. Mr. Burks said that he believes that they are in agreement that the property should have been conveyed at the time of reversion, but the recorded deed was not clear. A deed of confirmation should be filed for the public land record that would clarify that the land belongs to the BRWA; in exchange for that, the Town will retain parcels on the west side of the reservoir and ask that the BRWA release the restricted use of the land the Town owns, and make a statement that it will not have a negative effect on the watershed. Mr. Burks said that it would be a qualified statement that he does not foresee having a negative effect on the BRWA or the Town.

c. Montvale Water Transfer Update

Mr. Key said that the USDA Rural Development loan that the Montvale Water Company has will be challenging to resolve due to unresponsiveness from the USDA. Mr. Burks got involved and was able to initiate some dialog; a conference call was held on Monday, and the call did not provide answers, but rather continued frustrations. The call did show that the simplest process would be to pay off the debt and close the loan. The loan is about $500,000, and the BRWA has funding to pay off the loan from reserves. The interest being earned in that account is similar to the interest that would be paid on the loan; Mr. Mele asked if the County would help with the payment of the loan, and the board discussed various different options. Mr. Key explained that any action related to the loan would be brought to a future board meeting for approval.

10. Other Business not covered on the above agenda

No other business was discussed.

11. Motion to Adjourn:

There being no further business to discuss, Member Rush 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 8:39 pm.

Prepared by Megan Pittman – Director of Administration
Approved: October 21, 2025