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**Bedford Regional Water Authority – Board of Directors  
Regular Board Meeting – Minutes  
November 19, 2024**

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Bedford Water”) was held on Tuesday, November 19, 2024, 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  
Kevin Mele  
Michael Moldenhauer (virtually)  
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: October 15, 2024 – Regular Board Meeting
5. Financial Report: Presented by Jill Underwood
  - a. Financial Statements through month end October 2024
6. Operations Report: Presented by Thomas Cherro
  - a. Task Summary
  - b. **Resolution 2024-11.01**: Membrane Procurement
7. Administration Report: Presented by Megan Pittman
8. Projects Report: Presented by Rhonda English
9. Executive Report: Presented by Brian Key
10. Other business not covered on the above agenda
11. Motion to Adjourn

**3. Public Comments**

There were no public comments.

**4. Approval of Minutes: October 15, 2024 – Regular Board Meeting**

The regular Board Meeting Minutes from October 15, 2024, were reviewed.

Member Gray made a motion to approve the minutes.

Member Barger seconded the motion.

- Board member votes: 6 Aye; 0 Nay; 1 Abstain. The motion carried.

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

a. Financial Statements through month end October 2024

The earnings statements for the board are being sent from the BRWA's accounting software; it will now come via email from "The Pipeline". A Brown, Edwards representative will present the audit report at the December meeting. There is a trend of increasing water and sewer penalties and disconnects compared to recent history. The final billing for the Franklin County contract operations has been issued; contract operations ended in September. Contracted services are up due to different projects and incidents that have occurred, within various service areas. The Ivy Creek bond allonge is proceeding with bond counsel. The budget goal was 33% for October, with operating revenues at 37% and operating expenses for the month totaling 28%. Capital Recovery fees received this FY are 34% of the total budgeted amount. During October, \$49,000 was received.

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

a. Task Summary

The CIP team has finished the waterline at the Central Water Treatment Plant. All the service lines are complete but not hooked up. This will happen when the booster station is ready. The team's next project will be a sewer project on Galax Street, then Shady Knoll. The Wastewater Manager, Mike Ramsey, has resigned; Mr. Cherro will work to hire a new manager and use the turnover as an opportunity to see if any organizational changes need to be made in the department.

b. **Resolution 2024-11.01: Membrane Procurement**

The proposed resolution seeks to authorize the long-term procurement agreement with Veolia to replace membrane filtration modules at the Smith Mountain Lake Water Treatment Facility. There are three filtration trains, and over a three-year period each train will have 112 modules purchased for installation at an estimated cost of \$264,780.00 for each train for a total estimated cost of \$794,340 for the entire plant; these expenditures will be shared equally between the BRWA and the Western Virginia Water Authority by utilizing the capital setaside account where funds have been accumulated equally over a number of years.

In order to allow for a contingency for inflation for future year replacements, the resolution is drafted to authorize the purchase of the modules for a not to exceed expenditure of \$850,000.

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 19<sup>th</sup> of November 2024, beginning at 7:00 p.m.:

**WHEREAS**, the Authority jointly owns and operates the Smith Mountain Lake Water Treatment Plant (“SMLWTP”) with the Western Virginia Water Authority (“WVWA”); and, **WHEREAS**, under the terms of the Smith Mountain Lake Water Treatment Facility Agreement dated May 7, 2014, the Authority and the WVWA are responsible for the costs of maintaining the SMLWTP to ensure that it operates efficiently and in accordance with regulatory requirements including the replacement of assets that have a short life cycle such as the membrane filtration modules; and,

**WHEREAS**, in accordance with Amendment Number 1 to the Progressive Design/Build Agreement for Water and Wastewater Projects dated November 14, 2014, a purchase order was executed on December 11, 2014 in the amount of \$1,943,600.00 for the purchase of the membrane equipment as is currently sold by Veolia, which included 216 membrane cartridge units; and,

**WHEREAS**, the membrane modules, which were put into service in 2016, are reaching the end of their expected life cycle, and they are in need of replacement; and,

**WHEREAS**, Veolia is the only vendor capable of meeting the exact requirements of the existing equipment and to change to a different vendor would require substantial retrofits of the membrane treatment equipment; now,

**THEREFORE, BE IT RESOLVED**, that the Board of Directors does hereby authorize the Executive Director to utilize sole source procurement per the Authority’s policy 10.10 for the purchase of the Veolia membrane units for the SMLWTP; and,

**BE IT FURTHER RESOLVED**, that the total amount of the expenditures for the membrane modules and associated equipment shall not exceed an amount of \$850,000.00, of which half of the cost of the expenditures will be shared with the WVWA.

Member Gray made a motion to approve this Resolution.

Member Sharp made a Second to approve.

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

## 7. Administration Report: Presented by Megan Pittman

Ms. Pittman discussed the media articles in the board packet, including an article featuring an award Mr. Moldenhauer received. She also mentioned that the Communications Department hopes to have articles about the upcoming annual grease campaign next month. This year, customers will be able to utilize the new grease container in our parking lot. Outreach and educational events continue to see an uptick.

HR and Safety continue to increase training for staff. Ms. Pittman has also signed a contract for a year-long leadership program for our directors, managers, and supervisors, along with future leaders, which will kick off next year.

The Communications team has also started creating a more uniform branding for its staff, which includes new email signatures, voicemail recordings, and more professional photos. The IT department has also turned on multifactor authentication for everyone with a BRWA email; if the board has trouble accessing their email, please contact InfoSys to help walk them through the process.

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

The Ivy Creek project connection section of the project is moving slowly because of the rock and gaseous environment. However, the rest of the project is moving steadily along. The Helm Street project continues with work on the foundation. The Central Water Treatment Plant booster station project is slightly on hold as they wait for equipment and a few administration items.

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

The Town Council meeting discussed filling the open board member vacancy. The new board member appointed is Steve Rush. Mr. Key will contact Mr. Rush to get him up-to-date with information to start in January. A court hearing was held for the Osterbind case to set a date for the appeal hearing; it will be held on May 1<sup>st</sup>.

**10. Other Business not covered on the above agenda**

Mr. Flynn said that he was able to visit a few projects and facilities on Friday. He stated that these are big projects that are being completed, and he was impressed. He encouraged board members to take time to schedule a site visit or tour.

The board also discussed a large break on Friday in Town. Mr. Cherro explained the details of the break, along with a couple of other breaks that occurred that day.

Mr. Moldenhauer brought up the email the board was sent about fluoride. Staff has not responded to this yet, although Mr. Key said a response will be generated. Mr. Sharp said that he would like to look into the topic instead of just waiting until the EPA rules on it. Mr. Flynn said that the board had quite a bit of documentation on this when it was changed a few years ago. Mr. Flynn asked Mr. Key to prepare information for the board.

**11. Motion to Adjourn:**

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

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

The meeting adjourned at approximately 7:51 pm.

Prepared by Megan Pittman – Director of Administration  
Approved: December 17, 2024