

Neighborhood Line Extension Program

The Bedford Regional Water Authority's (BRWA) Neighborhood Line Extension Program was established as a method by which existing subdivisions within reasonable distance of public water or sewer may have those services extended to their neighborhood. The program involves participation of the residents in a cost-sharing opportunity for the benefit of their immediate community.

A complete copy of the BRWA's Neighborhood Line Extension Program package includes the following items:

- Frequently Asked Questions
- Neighborhood Line Extension policy
- Petition for Utility Extension
- Agreement of Intent
- Project Checklist, and
- Rates Summary.

The Project Checklist serves as a step-by-step guide of the process for a Neighborhood Line Extension project. Completed petitions should be submitted directly to the Engineering Department.

Funding for Neighborhood Line Extension projects not covered by the collected Project Fees must be budgeted for in the BRWA's Capital Improvement Program, a copy of which can be viewed in the BRWA main office or on the website at www.brwa.com.

For questions, please refer to the Frequently Asked Questions section or contact the Engineering Department at (540) 586-7679 Ext. 5 or via email at Engineering@brwa.com.

Neighborhood Line Extension Program Frequently Asked Questions

Q. What services can the Neighborhood Line Extension Program be used for?

A. Public water and public low pressure (force main) sewer.

Q. I want to create a new subdivision. Can I use the Neighborhood Line Extension Program to serve the new subdivision with public water and sewer?

A. No, the Neighborhood Line Extension Program is for existing neighborhoods. To serve new subdivisions, the Authority has a Developer Program.

Q. Is the 70% requirement for the petition based on the number of lots or the number of lot owners?

A. The basis is for the number of lots. For example, if someone owns 5 lots they would need to sign the petition 5 times for all of their lots to be counted.

Q. Who determines the extent of the neighborhood to be served?

A. The Neighborhood Representative, along with the neighbors, determines what areas they would like to be served. All properties between our existing public line and the last lot to be served will be included in the proposed service area (i.e. you would not be able to skip lots).

Q. Do we have to pay any money up front?

A. No. Money will be requested following the evaluation of the petition.

Q. Does signing the petition commit me to any payment?

A. No. However, signing the petition indicates your willingness to contribute financially to the project. After fees are requested, failure to receive the required fees by the established deadline may result in the project ceasing to move forward.

Q. If the project should cease to move forward after I have paid my fees, will I get my money back?

A. Yes, and the BRWA will retain any interest that may have accrued to cover administrative costs.

Q. How much will it cost to participate?

A. As a minimum each lot will be required to pay the base project fee. There are 3 project fee tiers ranging from \$3,500.00 to \$6,500.00. Please note fees are subject to change and will be assessed based on our current Rates policy. Please see policy 2.01 Rate Information for a detailed explanation. The Authority must receive fees from 70% of the lots within the service area in order for the project to proceed.

Q. Which Project Fee Tier will be applied if a lot is already adjacent to public water but wants to connect to the extended line?

- A. Lots that are already adjacent to public water but prefer the convenience of connecting to an extended line constructed as part of a Neighborhood Line Extension Program will be assessed the Tier 1 Project Fee.

Q. How will the Project Fee Tier be assessed if the line could be extended further through the lot later to serve additional lots?

- A. If a line extended as part of the Neighborhood Line Extension Program does not extend the full length of a property, the Project Fee will be assessed based upon where the line could be extended in the future. (i.e. If the line can be extended to serve another lot past the lot in question, the lot will be assessed the Project Fee based on the full lot frontage.)

Q. What if the project fees collected are not enough to cover the project moving forward?

- A. Funding for project costs over and above the amount collected by project fees may come from a variety of sources. If the Authority is financially able and has resources budgeted for such projects, they may choose to subsidize the project or some portion thereof. When such resources are not available, the property owners would need to contribute or secure additional funding to cover project costs prior to the project moving forward.

Q. What if I don't pay any fees?

- A. If the project does move forward and you have not paid any fees, you will be required to pay the project fee prior to connecting to the system in the future. The project fee will be assessed at the current rate at the time of payment.

Q. Will I be required to connect to the new system?

- A. Upon completion of the project, each lot within the service area will be subject to the Authority's Mandatory Connection policy. Please see policy 3.10 Mandatory Connection for detailed information.

Q. Do I get a free or discounted connection as a Neighborhood Line Extension Program participant?

- A. No, in addition to the Neighborhood Line Extension project fee each lot will be required to pay all standard New Customer Signup fees upon signing up for service. Please see policy 2.01 Rate Information for detailed information.

Q. Why is extension of gravity sewer not available through this program?

- A. Project fees have been established based on general construction practices that are somewhat predictable for waterlines and pressure sewer. Whereas the routing, design, and construction costs for gravity sewer are highly variable and dependent upon topography. The program and project fees do not easily provide for the variables associated with gravity sewer extensions.

NEIGHBORHOOD LINE EXTENSION

Section 1. PURPOSE

In past years, some subdivisions were created in Bedford County and the Town of Bedford in areas that had no access to public water and/or sewer service. Subsequent to the creation of these subdivisions, the Bedford Regional Water Authority (“Authority”) or its predecessors extended public water and/or sewer service to an area near some of these subdivisions so that it has become practical to construct water lines and/or a low pressure sewer system such that service can be provided to these neighborhoods. This policy establishes the criteria and conditions by which such neighborhood line extensions may occur and provides a methodology by which the cost for such extensions may be paid. This policy shall apply primarily to existing residential neighborhoods that did not have access to public water and/or sewer at the time of their initial development; in rare situations, this policy can also be used for non-residential or mixed use areas where water and/or sewer extensions are needed.

Section 2. POLICY

- A. To initiate a line extension under the provisions of this policy, a neighborhood representative shall contact the Authority about the potential project; the Authority Engineering Department (“Engineering”) will then provide the neighborhood representative with a copy of this policy, as well as a blank petition form. The neighborhood representative must then provide this information to the property owners in their neighborhood and must obtain signatures on the petition from the property owners of at least seventy percent (70%) of the lots and/or parcels with owners who will benefit from the line extension (“Eligible Lots”). The property owners that sign the petition are thereby agreeing to pay the Project Fee, as established in the Authority’s current Rates policy and at such a time as so requested by the Authority, for each of the lots they own. The completed petition bearing the original signatures must be returned to Engineering before any further steps are taken.
- B. Upon receipt of the petition, Engineering will verify that the appropriate number of signatures were obtained for the defined project area; if the petition is valid, they will then prepare a preliminary cost estimate for the project that will include the construction cost and total related costs such as Administrative, Engineering, survey, legal, easements acquisition, etc. (“Project Costs”). Engineering will then present a memorandum to the Policies and Projects Committee (“Committee”) containing the petition, the cost estimate of the Project Costs, a map of the area, and a summary about the project. The Committee will review the information, evaluate if the Authority has all of the resources (including, but not limited to, financial, personnel, and Administrative resources) available to commit to the project and determine if they will recommend the project to proceed. If sufficient funding is not available, then the additional funding would need to be subsidized by the property owners, or by any other funding source secured by the property owners, before the project may move forward. If the Committee recommends that the project proceed, the recommendation will be presented to the Authority Board of Directors at the next regularly scheduled Board meeting.
- C. If the project is approved by the Board of Directors to proceed, Engineering establishes a deadline for the payment of the Project Fees to be received and they will then mail out a letter to each of the property owners informing them of the deadline and soliciting their payments.

NEIGHBORHOOD LINE EXTENSION

- D. Once the required number of Project Fees have been received and placed into an interest bearing escrow account, Engineering will notify the residents that the Authority will proceed to design and procure bids for the project. If the required amount of Project Fees has not been paid by the deadline, all of those fees already paid will be fully refunded. The interest earned on the account during this period will be retained by the Authority to defray the Administrative costs incurred.
- E. After designing and procuring the project, the project will be constructed if the bids are equal to or less than the preliminary cost estimate. If the bids are greater than the amount of the cost estimate, the Authority Board will determine how they would like to proceed with the project. Additional fees may be sought from the property owners that have already paid, they may be sought from the property owners that haven't contributed, or they may be allocated from the Authority's reserves. If the additional fees are not obtained and the project does not move forward, the Authority will refund all of the fees that have been paid, less a prorated share of any related costs that have been expended on the project to date. If the project moves forward, the Authority will administer the construction of the project. Once the construction and testing of the entire project is complete and the line is activated, connections will be allowed. For those that connect, the Authority and Virginia Department of Health (VDH) standards for preventing the interconnection of wells to the public system must be followed.
- F. Any property owner who does not pay their Project Fee initially, will not be required to pay the fee until they decide to connect in the future. If any lot owners elect to connect to the lines built as part of a Neighborhood Line Extension until such a point in time as the lines are fully depreciated, they will be required to pay the Project Fee that is current at the time that it is paid, as well as all other fees in the current Rate policy that are in effect at that time. If the property line of a connecting lot is more than 300 feet from the end of an extended water or pressure sewer line, the Project Fee will be waived.

Section 3. ALTERNATIVE FUNDING

- A. When the neighborhood property owners are not able to fund the project as stated above, there are several other options that the owners may want to consider in an attempt to secure funding:
 - 1. Some of the property owners may elect to contribute more than the project fee in order to:
 - a. pay on behalf of other property owners that do not commit to paying the project fee
 - b. provide the balance of the funding to ensure that the project is approved by the Authority to proceed to design and construction
 - 2. Petition the local governing body to provide financial assistance to cover the project costs. This may lead to the County of Bedford or Town of Bedford local government:
 - a. including the project in a future budget for future year spending
 - b. issuing a special allocation in the current fiscal year to expedite the project
 - c. establishing a special tax district to fund the Project Costs
 - 3. Provide evidence to the Authority that the fifty percent (50%) of the total gross Commodity and Base Charge revenue generated due to the completion of the project would cover the Project Cost over a 10 year period of time. This information must be provided to the Authority with a petition signed by at least 70% of the property owners requesting the Authority to include

NEIGHBORHOOD LINE EXTENSION

the project as part of the capital improvement plan. The Authority would then review the request, and determine if it would be possible to provide some or all of the funding to cover the development cost of the line extension.

Section 4. REVISIONS

- A. This policy was approved and adopted by the Authority's Executive Director on April 23, 2013, effective July 1, 2013.
- B. The policy was modified on November 13, 2017, effective November 22, 2017, to include:
 - 1. Section 1: Clarification that this policy is primarily for residential use
 - 2. Section 3: Added to provide alternative funding options

PETITION for Utility Extension

Dated: _____, 20____

Bedford Regional Water Authority
1723 Falling Creek Road
Bedford, VA 24523-3137

Attention: Engineering Department

In accordance with the current Neighborhood Line Extension Policy (the “Policy”), this petition is being prepared to notify the Bedford Regional Water Authority of our interest in a water / pressure sewer line extension in our subdivision and/or neighborhood.

We, the undersigned owners of real estate situated in the _____ subdivision and/or neighborhood, in the _____ Magisterial District of Bedford, County, Virginia, hereby respectfully petition said Bedford Regional Water Authority to determine if it is feasible to extend the water / pressure sewer lines into our subdivision.

We understand that by signing this Petition, each of the signed parties agrees to all the conditions and stipulations as set forth in the Policy, including the commitment to pay the Authority the current “Project Fee” (as determined in the current rate schedule), should the Authority determine that the project is feasible to construct. After the “Project Fee” is requested of us by the Authority, and at such time as the necessary seventy percent (70%) of the funds have been deposited into the Authority’s escrow account, it is our understanding that the Authority will proceed to design and procure the water / pressure sewer line extension as detailed in the Policy.

Included as part of this petition is a list of ALL the property owners in the subdivision that may be effected by this project, whether they are interested in the project or not; those owner who ARE NOT INTERESTED are indicated on the petition with a mark of “NO” in the signature space next to their name.

**AGREEMENT OF INTENT
for a project taking place under the
NEIGHBORHOOD LINE EXTENSION POLICY**

THIS AGREEMENT OF INTENT, dated for identification _____, 20___, by and between the Bedford Regional Water Authority (the “Authority”); and the owners of certain lot(s) in _____ subdivision, Bedford County, Virginia (the “Subdivision”) identified by the street address and/or lot number next to their signature(s) at the end of this Agreement (the “Owners”),

WITNESSETH

WHEREAS, the Owners have petitioned the Authority to construct a water / pressure sewer line (the “Line”) to provide public drinking water and/ or pressure sewer to lots within the Subdivision; and

WHEREAS, the Authority, in accordance with its Neighborhood Line Extension Policy (the “Policy”), is prepared to assist the Owners in the financing and construction of the Line; and

WHEREAS, the Authority has estimated the cost of the Line to be \$_____. (the “Estimate”); and

WHEREAS, the policy requires that at least seventy percent (70%) of the lot owners within a finite area (such as a subdivision) have formally petitioned the Authority in writing to extend a water / pressure sewer line and agree to each contribute the “Project Fee” per lot owned; and

WHEREAS, the accumulation of at least seventy percent (70%) of the Project Fees (the “funds”) will be placed in an escrow account prior to the Authority initiating the design of the Line.

WHEREAS, it is understood that by depositing the “Project Fee” the Owner is authorizing the Authority to use the deposited money in accordance with the terms of this agreement and that this deposit is representative of the “Project Fee” as described in the Policy.

NOW THEREFORE, the Authority and the Owners are entering into this Agreement setting out their respective duties and responsibilities to provide for the financing and construction of the Line:

The Funds must be received by the Authority on or before _____, 20___ (the “Deposit Date”); and if not, such as have been received will be refunded to each respective Owner.

If the Funds are deposited with the Authority by the Deposit Date, the Authority will proceed with diligence to design the Line and prepare final cost estimates of its construction.

The Authority reserves the right, with issuance of notice to the Owners, to cease design on the Line at any time if in its professional judgement there exists a situation which will prevent a timely and/or cost effective completion of the construction of the Line.

The Owners and the Authority understand the Authority will only withdraw the Funds to pay for the costs related to the engineering design and construction of the pertinent line facilities, and/or to refund some or all of the Funds deposited therein. Interest earned on the Funds deposited shall be used by the Authority to administer the escrow account.

Owners who have paid their "Project Fee" and wish to connect to the Line can do so by paying the Authority's current Connection Charges.

Notices hereunder are given when they are deposited in writing to the address of the Authority at 1723 Falling Creek Road, Bedford, Virginia 24523, and to the owner at the address appearing next to Owner's name at the end of this agreement, with first class postage prepaid or in person at the Authority's office, at the above address.

WITNESS the following signatures and seals:

**BEDFORD REGIONAL
WATER AUTHORITY**

1723 Falling Creek Drive
Bedford, VA 24523

By: _____
Authorized Agent of the Authority

OWNER

By: _____
Signature

Printed Name

Mailing Address:

Lot Number: _____ Section #: _____

Neighborhood Line Extension Project Checklist

Phase 1 – Initiation

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| 1. | A Neighborhood representative shall contact the Bedford Regional Water Authority about the potential project. | <input type="checkbox"/> |
| 2. | BRWA Engineering department will provide the neighborhood representative with a copy of the N.L.E. policy and a blank petition form. | <input type="checkbox"/> |
| 3. | Should the interest in the line extension be concentrated in a particular area, the neighborhood may choose to designate a “finite area” by which the project may proceed. The stipulations on determining the “finite area” are the properties between the point at which the line exists and the property at which the neighborhood chooses to stop the line must be counted. | <input type="checkbox"/> |
| 4. | The Neighborhood representative must then provide the information to the lot owners in their neighborhood, and must obtain signatures on the petition from the property owners of at least 70% of the lots and/or parcels which will benefit from the line extension (the “eligible lots”). | <input type="checkbox"/> |
| 5. | The lot owners that sign the petition are thereby agreeing to pay the tiered Project Fee as applicable to their lot. | <input type="checkbox"/> |
| 6. | The completed petition bearing the original signatures must be returned to the Engineering Department at the BRWA before any further steps are taken. | <input type="checkbox"/> |

Phase 2 – Review

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| 7. | Upon receipt of the petition, Engineering will verify that the appropriate number of signatures were obtained for the defined project area. | <input type="checkbox"/> |
| 8. | If the petition is valid, BRWA (Engineering) will then prepare a preliminary cost estimate for the project that will include the construction costs, total related costs (such as administrative, engineering, survey, legal, easement acquisition, etc.) | <input type="checkbox"/> |
| 9. | Engineering will then present a memorandum to the Water and Sewer Committee containing the petition, the cost estimate, a map of the area, and a summary of the project. | <input type="checkbox"/> |
| 10. | The Committee will review the information, evaluate if the BRWA has all of the resources (including but not limited to: financial, personnel and administrative resources) available to commit to the project, and determine if they will recommend the project to proceed. | <input type="checkbox"/> |

Phase 3 – Recommendation

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| 11. | If the Committee recommends that the project proceed, the recommendation will be presented to the BRWA Board of Directors at the next regularly scheduled Board meeting | <input type="checkbox"/> |
| 12. | The project must be voted by the BRWA Board of Directors to proceed. | <input type="checkbox"/> |
| 13. | If the vote passes, then BRWA Engineering establishes a deadline for the payment of the Project Fees to be received. | <input type="checkbox"/> |
| 14. | BRWA Engineering will then mail out a letter to each of the property owners informing them of the deadline and begin soliciting their payments. | <input type="checkbox"/> |

Phase 4 – Project Payment and Commencement

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| 15. | If the required number of Project Fees has not been paid by the deadline, all of those fees already paid will be fully refunded. | <input type="checkbox"/> |
| 16. | If the Project Fees collected do not cover the total costs estimated to be incurred by the Project, additional fees may be sought from the lot owners, the Bedford County Board of Supervisors, or they may be allocated from the BRWA's reserves. | <input type="checkbox"/> |
| 17. | If the additional fees are not obtained, and the project does not move forward, the BRWA will refund all of the fees that have been collected, less a pro-rated share of any related costs that have been expended for the project to date. | <input type="checkbox"/> |
| 18. | If the project moves forward, the BRWA will administer the construction of the project. (At this point the project is considered active.) | <input type="checkbox"/> |

Phase 5 - Design and Construction

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| 19. | Once the required number of Project Fees have been received and placed into an interest bearing escrow account, Engineering will notify the residents that the BRWA will proceed to design and procure contractor construction bids for the project. | <input type="checkbox"/> |
| 20. | The BRWA will begin the field surveying of the properties, as well as various engineering requirements including design plans, procurements, and obtaining the necessary permits and approvals from the Department of Transportation and the Department of Health. | <input type="checkbox"/> |

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| 21. | As design begins, BRWA will determine the most suited location of the proposed line, including which side of the road it will be located on, and which parcels may require an easement to be obtained for the construction of the line. | <input type="checkbox"/> |
| 22. | Should the route of the line require easements to be obtained, property owners will receive a copy of a deed of easement, along with a sketch of the property showing the approximate location of the proposed line. | <input type="checkbox"/> |
| 23. | The bidding process (procurement), will not begin until design plans have been approved for construction. | <input type="checkbox"/> |
| 24. | After the design of the project, the project will move to construction if the bids received are equal to or less than the preliminary cost estimate. | <input type="checkbox"/> |
| 25. | A Notice to Proceed is issued by the BRWA to the awarded contractor, determined by the lowest-bid, once all material drawings are reviewed, approved and permits are obtained. | <input type="checkbox"/> |
| 26. | The contractor is required to maintain a copy of the latest Bedford Regional Water Authority Master Specifications on-site at all times. An inspector from the BRWA will witness the construction to ensure proper specifications are met and followed. | <input type="checkbox"/> |
| 27. | Other tests may be required to ensure that installation, materials, etc. are in accordance with the BRWA Master Specifications (Pressure Tests, Soil Compaction Tests, Air/Vacuum Tests and Bactin Tests) | <input type="checkbox"/> |
| 28. | Once the construction and testing of the entire project is complete and the line is activated, connections will be allowed. | <input type="checkbox"/> |

Phase 6 – Financial

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| 29. | The Project Fee, Capital Recovery Fee, Tap Fee, Application Fee, Deposit, and Meter Fee must be collected prior to the connection for service. | <input type="checkbox"/> |
| 30. | Any lot owner who does not pay their Project Fee initially will not be required to pay the fee until they decide to connect in the future. If any lot owners elect to connect in the future, they will be required to pay the Project Fee and all other applicable fees at their current rate at the time of connection. | <input type="checkbox"/> |

Phase 7 – Construction Closeout and Activation

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| 31. | If a property owner would like to connect to the system and become a BRWA customer, the BRWA may begin accepting signups once construction is underway. Property owners will need to come into the BRWA's office to sign up for service. | <input type="checkbox"/> |
| 32. | To follow Virginia Department of Health regulations in avoiding potential cross connection, a BRWA representative must verify the disconnection from the existing well service and connection to the public service. | <input type="checkbox"/> |
| 33. | The property owners' appointed plumber should be present when the meter is placed and the water service is turned on. This will require the homeowner to co-ordinate the plumbing work, several working days in advance, with the BRWA. | <input type="checkbox"/> |
| 34. | Upon completion of the project construction, every effort will be made by the contractor, under instruction from the BRWA, to restore effected property to equal or better condition. | <input type="checkbox"/> |
| 35. | Please note that the contractor will make a concentrated effort to sow grass seed in all the disturbed areas; however, it may take a few months before a good stand of grass will cover the areas where the line has been installed. If the seed has not taken by a substantial amount of time, we will have the contractor come back and reseed the bare spots at that time. | <input type="checkbox"/> |
| 36. | Upon completion of the project, the contractor is required to submit a letter of warranty for materials and workmanship. This warranty will be active for one year following the issued date of the Certificate of Completion for the Neighborhood Line Extension Project. | <input type="checkbox"/> |



Neighborhood Line Extension Program Rates Summary

As part of the Bedford Regional Water Authority's (BRWA) Neighborhood Line Extension Program, residents participating in the program will have a cost associated with the project.

As a minimum each lot will be required to pay the base project fee. Please see below to find the appropriate cost:

| Road Frontage | Project Fee Tier | Cost |
|-----------------------------------|------------------|------------|
| 0 feet to 100 feet | Tier 1 | \$3,500.00 |
| More than 100 feet up to 200 feet | Tier 2 | \$5,000.00 |
| 200 feet or more | Tier 3 | \$6,500.00 |

In addition to the Neighborhood Line Extension project fee each lot will be required to pay all standard New Customer Signup fees upon signing up for service. Please see below for each fee in detail:

- Deposit: \$125.00
- Capital Recovery Fee (5/8" meter size): \$4,000.00
- Tap Fee (5/8" meter size): \$1,500.00
- Application Fee: \$25.00
- Meter Fee: \$250.00
- **Total New Customer Signup Fees: \$5,900.00**

Please note fees are subject to change and will be assessed based on our current Rates policy. Please see policy 2.01 Rate Information for a detailed explanation. The current Rates can be viewed on our website at <http://www.brwa.com/customerservice/SitePages/Rates.aspx>.

The BRWA bills customers on a monthly basis (equivalent to 12 times per year, every month). Customers are charged for their usage as a Commodity Charge per 1000 gallons. All active accounts are charged a Monthly Base Charge. This charge is to cover the routine Administrative costs associated with servicing an account and is not related to the quantity of water or sewer service provided.

Funding for Neighborhood Line Extension projects not covered by the collected Project Fees must be budgeted for in the BRWA's Capital Improvement Program, a copy of which can be viewed in the BRWA main office or on the website at www.brwa.com.

For questions, please refer to the Frequently Asked Questions section or contact the Engineering Department at (540) 586-7679 Ext. 5 or via email at Engineering@brwa.com.

**Note: Information on this page is reflective of the Rates and Rate Information policies current as of June 1, 2018.*

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