

## **Smith Mountain Lake - Water Treatment Plant**

### **Frequently Asked Questions (FAQs)**

**1) Will this project cause rates to increase?**

No, this project will not directly affect the rates. The consolidation between the Bedford County Public Service Authority and the Town of Bedford water department requires that the Bedford Regional Water Authority (“Authority”) have rate adjustments through 2023 in order to equalize the two separate rate structures in a single combined rate structure.

**2) What are the financial aspects of this project?**

The estimated cost of this project is \$34 million. This will likely be funded through VRA pooled bond issuances with a 30 year term. Based on the Authority producing water at the new plant at a lower cost than the purchase rate from Lynchburg, and by reducing the amount of water purchased from Lynchburg, the Authority projects a net savings which will cover the debt service. After the capital debt is paid off the studies show that the Authority will saving approximately \$30million over what the costs would be to continue to purchase from Lynchburg. The full financial studies done by can be found at [www.brwa.com](http://www.brwa.com).

**3) Have you tried to negotiate with Lynchburg on the Authority’s current water contract?**

Yes, the Authority has been negotiating with Lynchburg for years trying to get a lower water rate. Through the negotiations, Lynchburg has not proposed to sell the Authority water at a lower rate than the Authority could produce at a new water treatment plant.

**4) Will taxes rise because of this project?**

No, taxes will not rise because of this project. The Authority has no taxing power, and support is not being requested from Bedford County or the Town of Bedford.

**5) How will this affect the average Authority customer?**

This project will have a very minimal direct impact on the existing customers. It will open the door for more customers (both residential and commercial) to connect along the new water line. Many of the Forest customers’ water source will change from Lynchburg to Smith Mountain Lake, but this should not cause any significant changes in water quality. It will positively impact the Town of Bedford during times of drought since there will be a backup source of water.

**6) Why are you doing this project?**

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The Authority is doing this project for various reasons including:

- a. Providing a backup source of water to the Town of Bedford.
- b. Producing water instead of buying water from Lynchburg will save the Authority \$30 and allow for the project to pay for itself.
- c. Provide additional service to customers along the waterline.
- d. Eliminates the need for an \$8 million expansion project at the HighPoint water treatment plant.
- e. Eliminates the need for an \$8million waterline from Lynchburg to the Town, with approximately \$1million of operating cost for water being flushed.

**7) Will this satisfy the backup source of water to the Town of Bedford?**

Yes. According to the consolidation document a backup source of water for the Town of Bedford must be in place by December 2016. Currently the Town does not have a backup source of water for drought periods.

**8) Did the Authority provide any input for the reversion or consolidation agreement?**

No. These agreements were written by the Town of Bedford (then City of Bedford) and Bedford County.

**9) How will this affect Smith Mountain Lake levels?**

This project will have almost no impact on the lake levels. Please refer to the lake statistics sheet for a full answer to this question.

**10)How will this affect businesses in the area?**

If you are a current customer of the Authority, your business will not be directly affected except that the source of your water may be from SML.The new plant and associated waterlines will give the opportunity for new businesses and homes to be built along the route of the waterline.

**11)What is the timeline of the project?**

Please refer to the timeline sheet for a full answer to this question.

**12)Where will the new plant be?**

The plant is proposed to be constructed on the former Camp 24 Correctional Facility land on Radford Church Road. Currently, this land is owned by Bedford County, and the County has stated that it intends to transfer it to the Authority.

**13)Where will the new waterline run?**

The new waterlines will run adjacent to existing roads from the new plant to Forest, primarily along route 122 and route 460.

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### 14) What reports and studies have been completed that certifies this is a sound project?

An ever growing list can be found on our website:

[www.brwa.com/developmentandcapitolprojects](http://www.brwa.com/developmentandcapitolprojects) under the “Smith Mtn Lake Water Treatment Plant” page. Documents include:

- Reports
  - [Preliminary Engineering Report Lakes-Bedford-Forest Water Supply Evaluation](#)
  - [Preliminary Engineering Report Smith Mountain Lake Water Treatment Plant](#)
  - [Bedford Utilities Consolidation Report](#)
- Master Plan Documents
  - [Bedford City Master Plan and Amendment](#)
  - [BCPSA Water and Sewer Master Plan](#)
  - [BCPSA Water and Sewer Master Plan Amendment](#)
- Permitting
  - [DEQ Draft Withdrawal Permit](#)
- Policies
  - [BRWA Alternate Delivery Policy](#)
- Other Documents
  - [Western Virginia Water Authority Submerged Lake Crossing Plan](#)
  - [Lake Vista Project Summary Information](#)
  - [VDOT Plans](#)