

PREPAYMENT

Section 1. PURPOSE

Occasionally developers of property located in Bedford County are interested in expanding public water and/or sewer utility services in order to obtain public service for their proposed development. In order for the Bedford Regional Water Authority (“Authority”) to consider and/or encourage extension and/or expansion of said facilities for developments that do not fall within utility extension provisions as outlined by the Bedford County Subdivision Ordinance, other such ordinances, and/or laws that take precedence, this policy outlines the requirements for consideration of offsite water and/or sewer extensions and/or expansions to provide accessibility to new subdivisions. Provisions of this policy may also be considered as an alternate compensation method for the acquisition of easements.

Section 2. POLICY

- A. This policy is subordinate to all provisions of the Bedford County Subdivision Ordinance and applicable Town of Bedford Ordinances.
- B. The intent of this policy is to establish a method by which a utility service area can be expanded as deemed feasible and aligned with the overall growth expectations for Bedford County and done so as a partnership between the developers and the Authority; this policy provides the developers with the opportunity to construct offsite utilities to their desired development areas with financial consideration being given by the Authority.
- C. It shall be the policy of the Authority to reimburse developers who construct and dedicate offsite facilities of appropriate use to the Authority. Such reimbursement shall be for the verifiable costs of construction and may be made through reimbursements or credits for Capital Recovery Fees or other such methods as deemed appropriate by the Authority.
- D. Each project proposed for reimbursement shall be evaluated by the Board of Directors on a case by case basis and shall be directed by an agreement signed between the parties involved in the project in accordance with established procedures.
- E. After the Board of Directors gives approval for a project to have prepayment credits issued, the credits must be issued within one (1) year or the agreement will be void.
- F. All prepayment credits must be used within a seven (7) year period from the date in which the credits were issued. Any credits not used in this timeframe will be void and may not be redeemed at any point after the period.

Section 3. ALTERNATE COMPENSATION

- A. Prepayment credit for Capital Recovery Fees may be offered as just and fair compensation for easement purchases upon evaluation and approval on a case by case basis. Prepayment credit up to the value of a single equivalent residential Capital Recovery Fee per lot shall be reviewed for

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approval by the Executive Director, with all prepayment credits exceeding this amount being evaluated for approval by the Board of Directors.

- B. All prepayment credits given as an alternate form of easement compensation must be used within a three (3) year period from the date in which the credits were issued. Any credits not used in this timeframe will be void and may not be redeemed at any point after the period.

Section 4. REVISIONS

- A. This policy was approved and adopted by the Authority's Board of Directors on April 23, 2013, effective July 1, 2013.
- B. This policy was modified as follows:
 - a. Approved March XX 2021, effective March XX 2021:
 - i. Section 2.C was updated with the new fee name.
 - ii. Section 3 was added for alternative compensation for easements.