

EASEMENT VALUE CALCULATIONS

Section 1. PURPOSE

The purpose of this policy is to outline how the Bedford Regional Water Authority (“Authority”) calculates the value of an easement.

Section 2. POLICY

- A. Due to the overall benefit that is provided to the community when a water or sewer facility is constructed, the Authority requests that easements are donated whenever possible.
- B. The Authority will not waive or discount facility fees in exchange for easements. Whenever possible, the Authority will work with the property owner and the contractor to try to reduce the connection fees by installing the connections while the contractor is installing the facilities.
- C. Land Value: The highest value from the following methods shall be used in assessing the value of the land where the easement will be located:
 1. Tax Assessed Value
 - a. Use the proportionate Land Value as listed from current tax records.
 2. Assigned value per foot of pipe length through property
 - a. Assigned value will be based on a property value per foot of water or sewer line going through property, applicable where the easement area is linear.
 3. Similar Land Sales
 - a. Utilize real estate sales in the area within the past two years.
 - b. Land value of total sale to be based on percentage of land to total value as listed in Tax Records, unless specifically listed in real estate documents.
- D. Easement values:
 1. Permanent easements shall be calculated at fifty percent (50%) of the land value of the area being requested.
 2. Temporary construction easements shall be calculated at twenty-five percent (25%) of the land value of the area being requested.
- E. If valuation methods above are not acceptable to the property owner, a formal property appraisal may be performed as per Policy 4.50 – Condemnation. Upon an appraisal, percentage of land value affected by permanent and temporary easements will be individually determined by the appraiser.
- F. If an easement is situated on a property such that it removes access to another portion of the property, the remaining portion of property may be considered for easement valuation as well.

Section 3. REVISIONS

- A. This policy was approved and adopted by the Authority’s Board of Directors on March 18, 2014, effective March 19, 2014.