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## PRESS RELEASE

July 16, 2013 FOR IMMEDIATE RELEASE

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

Draft Permit Received from DEQ

The draft permit from the Department of Environmental Quality ("DEQ") has been issued to the Bedford Regional Water Authority ("Authority"). The permit grants the Authority the ability to increase the withdrawal intake from the current Smith Mountain Lake intake valve from 2.99 million gallons per day to 12 million gallons per day. The permit is not official until after an advertisement has been issued in the local paper (running July 17th) and citizens have the chance to make comments and/or request a public hearing through DEQ about the permit.

The Authority proposes to expand the existing intake structure at the High Point water intake site on Smith Mountain Lake in Bedford County from its currently permitted, maximum daily rate of 2.99 million gallons to a maximum daily rate of 12 million gallons. The permit contains limits on the withdrawal rates that depend upon completion of waterline extensions to service areas within Bedford County, and additional limits that depend upon either completion of a waterline extension in Franklin County or an amendment to an existing water purchase agreement between the applicant and the Western Virginia Water Authority. DEQ's preliminary decision is to issue the permit.

The issuance of this draft permit is one step in the new Smith Mountain Lake Water Treatment Plant project. Past steps to get the project to this step include:

- June 2011: Feasibility study completed analyzing the options for bringing water to Forest from Smith Mountain Lake.
- August 2010: Western Virginia Water Authority agrees to contribute to the costs of permitting.
- December 2010: A site selection study was completed identifying the Camp24 property in Bedford County as the best site for the new plant while using the existing intake location for the withdrawal.
- May 2011: Withdrawal permit application filed with DEQ.
- December 2011: Financial report completed that included a detailed study on the
  financial aspects of funding the project, including a detailed evaluation of the capability
  of the Authority to fund the project through debt service. It concluded that over the long
  term, the Smith Mountain Lake water treatment plant project is more cost effective than
  continuing to purchase water from Lynchburg. The money saved from not paying
  Lynchburg for water purchases offsets the debt service expense of the project.

- February 2012: Consulting engineer hired to perform the detailed analysis of the proposed project. The Authority is still awaiting approval from the health department.
- April 2013: Owners Representative contract awarded to William P. Johnson to facilitate the design-build process.

The steps still needed to complete the project by December 2016 (the deadline per the reversion agreement) include:

- Bedford County comprehensive plan review: September 2013
- Obtain land for the plant (Estimated completion October 2013)
- Hire Design Build Contractor (Estimated completion December 2013)
- Obtain withdrawal permit from AEP/FERC (Estimated completion December 2013)
- Secure funding (Estimated completion April 2014)
- Obtain land for the Intake Pump Station (Estimated completion: TBD)

Completing this project would create many positive effects for the Authority customers and the community. These include a \$28 million dollar savings over 50 years, more efficient water production, a backup source of water to the Town of Bedford, ability to provide additional service to previous and future requests from customers, increased fire safety, and saving \$8 million by not having to update the current Smith Mountain Lake Treatment Plant. This project is not about fulfilling just one objective or satisfying one group of customers; this project is about supporting public health, strengthening the system, ensuring fire safety, and long range planning. It is about building a stronger, more resilient community while also help adjoining water authorities in times of need.

## **About the Bedford Regional Water Authority:**

The Bedford Regional Water Authority ("Authority") was created pursuant to the Water and Sewer Authorities Act Chapter 28, Title 15.1 code of Virginia of 1950, as amended. In accordance with the Reversion Agreement executed in August, 2012, the Authority was created by the Bedford County Board of Supervisors ("Supervisors") by resolution dated November 14, 2012 and the Bedford City Council ("Council") by resolution dated November 27, 2012. The Authority is authorized to acquire, finance, contract, operate, and maintain water systems, sewer systems, sewage disposal and treatment systems.

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