

# NOTICE

Dear Customer:

Montgomery County is currently pursuing membership in the Blacksburg-Christiansburg-VPI Water Authority (BCVPI) and if successful, this membership will have an effect on PSA water customers. This notice is to inform you of this issue and identify the potential for PSA rate increases.

Currently, the PSA operates ten (10) water systems within the County. Two of the systems are supplied by groundwater wells and the others are supplied by bulk water purchased from the Radford Arsenal, Radford City, and two BCVPI members (Towns of Blacksburg and Christiansburg). Without membership in BCVPI, the PSA may only purchase water from the BCVPI members by contract or agreement.

BCVPI currently has a rated capacity approximately double the current water needs of the existing members and the PSA. Membership in BCVPI will allow unrestricted access to an adequate water supply with capacity that will take care of the PSA's future projected water needs. The existing PSA water supplies are adequate to meet the needs of its current customers. The current supplies are limited and may not be sufficient to meet future growth due to residential and commercial development.

Below are projected PSA water rate increases over the next 12 years to cover the costs associated with buy-in and system improvements required to connect to the BCVPI. These projected rates are based upon conservative estimates and may not be as large as listed if funds are received from new residential and commercial developments. The PSA will make all efforts to keep rates as reasonable as possible.

You should address any comments to PSA staff (381-1997), Montgomery County staff (382-6954) or your elected Board of Supervisor representative.

Robert C. Fronk, PSA Director

## ***Projected Annual PSA Rates***

<b><i>Starting Date</i></b>	<b><i>Projected PSA Rate Increase</i></b>	<b><i>Projected PSA Rate</i></b>	<b><i>Percentage PSA Rate Increase</i></b>	<b><i>Projected BCVPI Rate</i></b>
July 1, 2012		\$6.80		\$1.81
July 1, 2013	\$0.88	\$7.68	12.94%	\$1.94
July 1, 2014	\$0.16	\$7.84	2.08%	\$2.08
July 1, 2015	\$0.58	\$8.42	7.40%	\$2.22
July 1, 2016	\$0.37	\$8.79	4.39%	\$2.34
July 1, 2017	\$0.18	\$8.97	2.05%	\$2.48
July 1, 2018	\$0.47	\$9.44	5.24%	\$2.63
July 1, 2019	\$0.19	\$9.63	2.01%	\$2.78
July 1, 2020	\$0.50	\$10.13	5.19%	\$2.95
July 1, 2021	\$0.21	\$10.34	2.07%	\$3.14
July 1, 2022	\$0.54	\$10.88	5.22%	\$3.35
July 1, 2023	\$0.22	\$11.10	2.02%	\$3.58
July 1, 2024	\$0.58	\$11.68	5.23%	\$3.83