

The County of Prince Edward



Unsolicited Proposal - Public-Private Education
Facilities and Infrastructure Act of 2002, as Amended

June 16, 2009



Why We Are Here

- Follow-up on the Unsolicited Proposal for the design & construction of the Sandy River Reservoir Water Treatment & Distribution System that was submitted on October 17, 2008

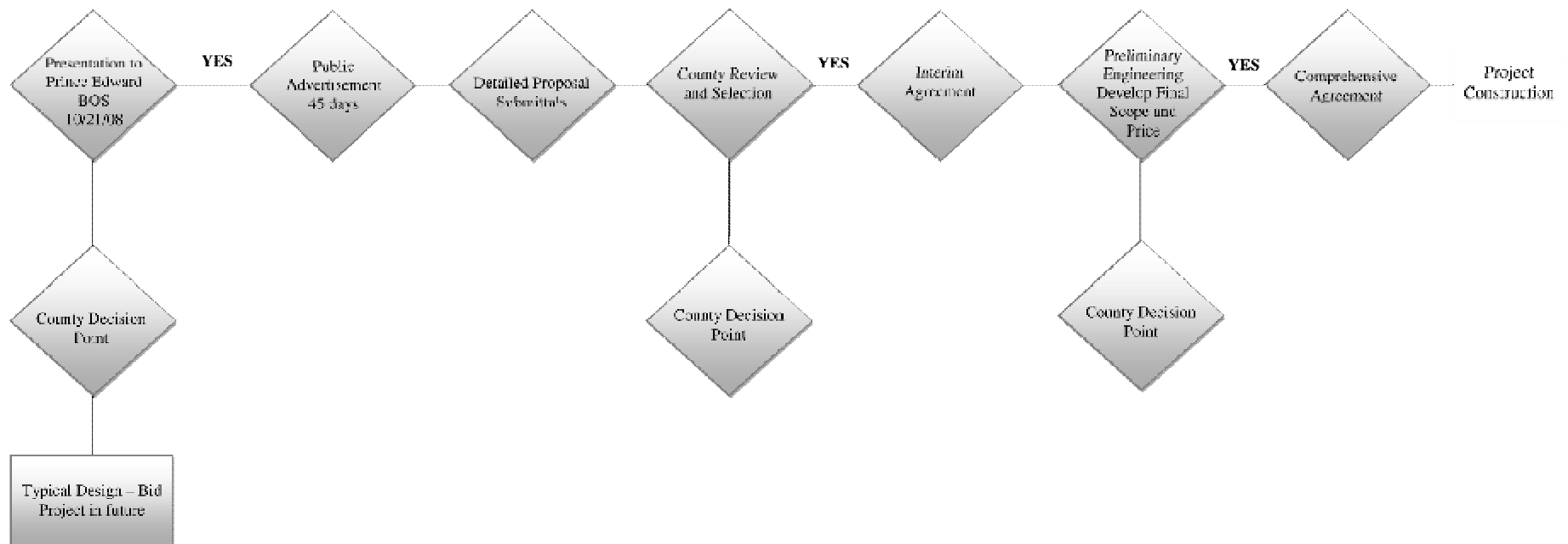


Why We Are Here

- To help Prince Edward County move forward with its long term goal
 - To provide a long term water supply that provides for growth, protects from impacts of future droughts and protects the environment
- Move forward with the interim agreement negotiations
- Address your questions and concerns



PPEA Implementation



PPEA Implementation

What Makes Projects Go Well?

- Open and collaborative process between public and private sectors – Working together as a team
- Atmosphere that encourages innovation and creativity
- Include public, press and other stakeholders
- Objectives (cost savings, time, limits on risk) are clear from the beginning



The Interim Agreement

- Benefits
 - Finalizes project scope
 - Capacity of water treatment facility determined
 - Initial and future customer base determined
 - Financial impacts resolved
 - Develops cost for Comprehensive Agreement based on input from County
 - Approvals from VDH
 - Addresses the concerns of Citizens
 - Develops decision point for County



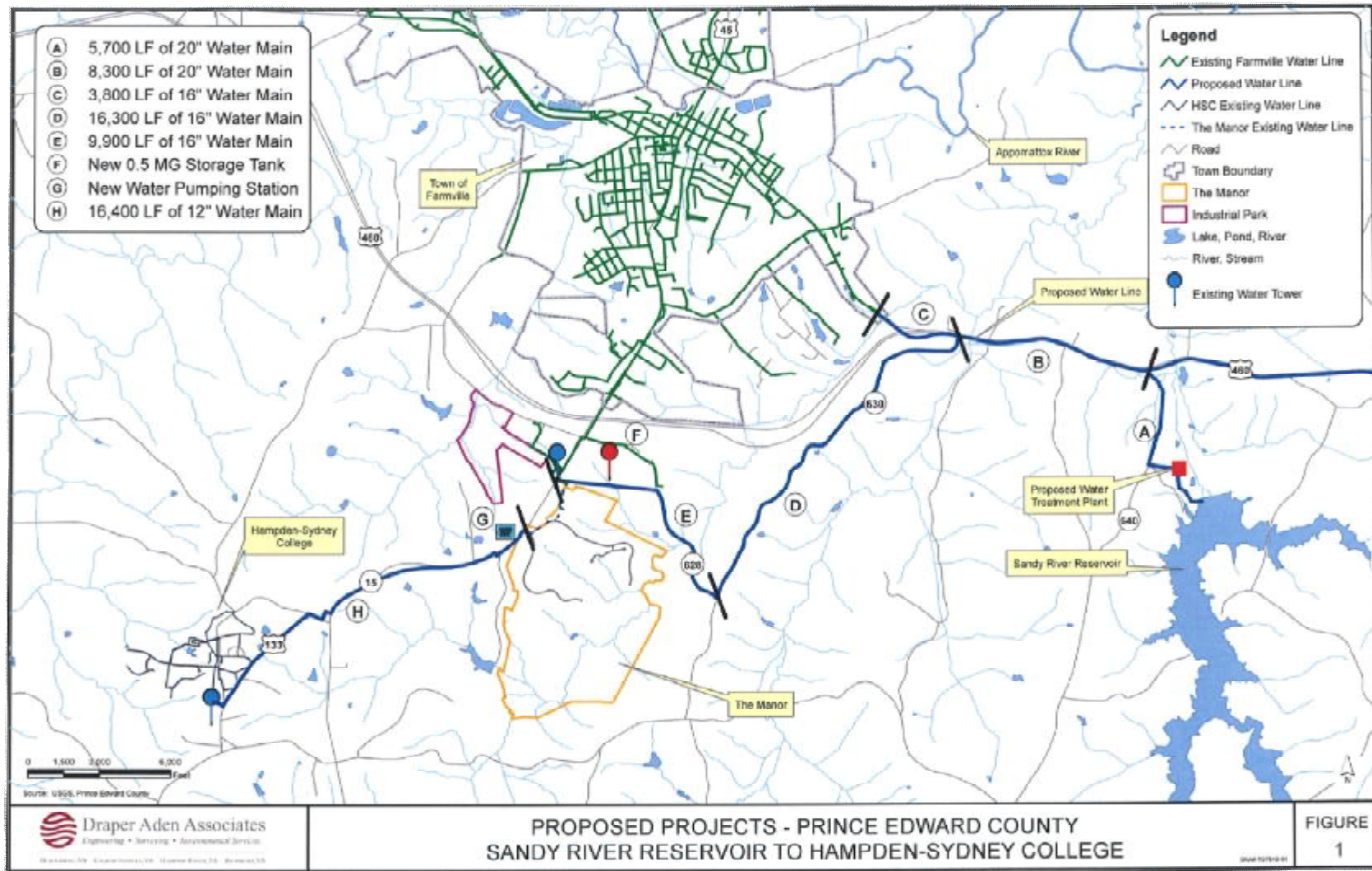
Conceptual Design Proposal

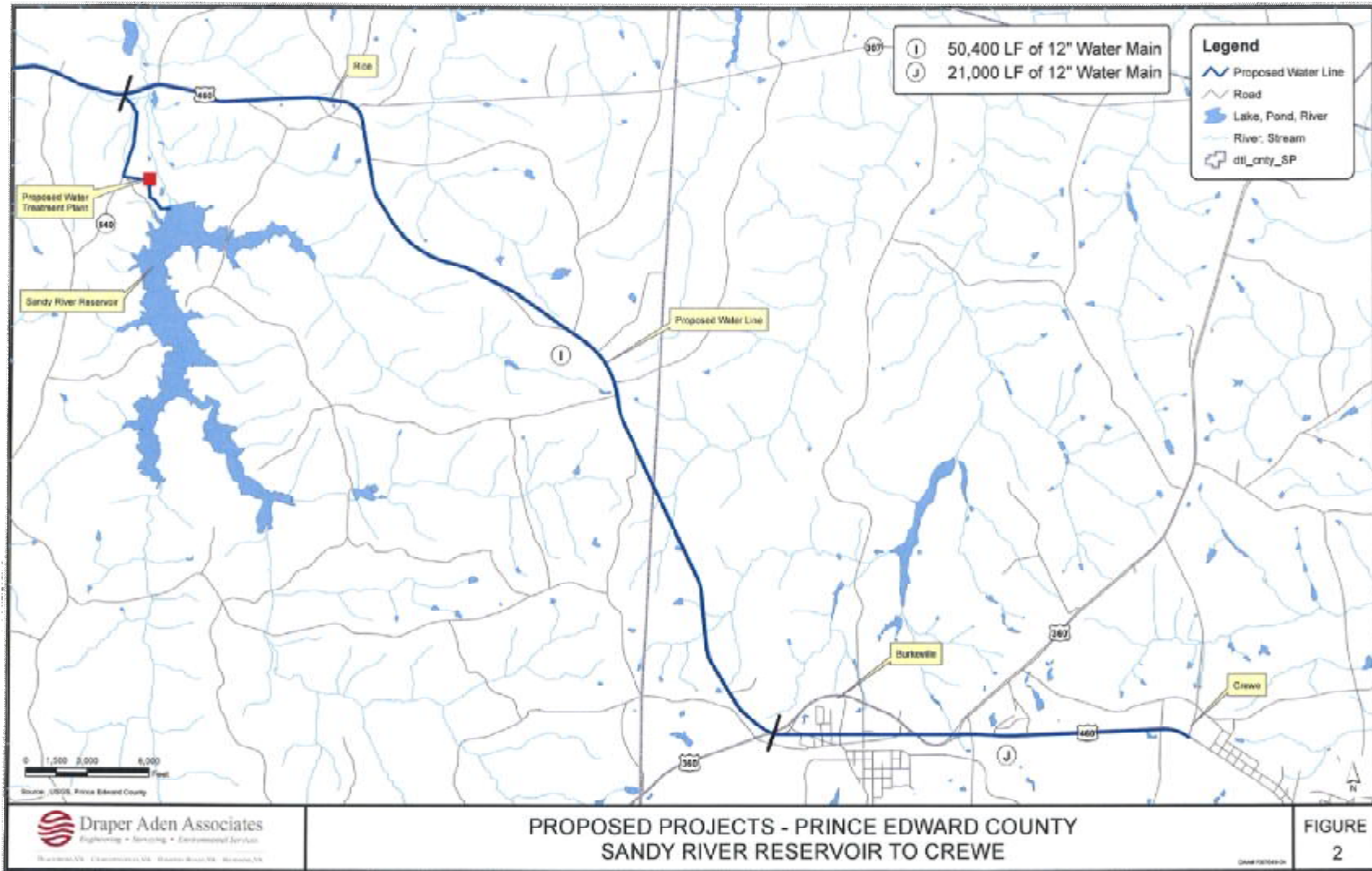
Sandy River Reservoir Water Treatment & Distribution System

- 8 mgd water intake
- 2 mgd raw water pump station – upgrades to 6 mgd in future
- 2 mgd pretreatment facility
- 2 mgd finished water treatment facility
- Operations and administration building
- Approximately 40,000 linear feet of pipe line
- 0.5 million gallon elevated water storage tank
- Water pumping station(s)
- Emergency connections to the Town of Farmville









Project Options

- More phased approach - 1 mgd /1.5 mgd capacity vs. 2 mgd
- Administration building in the future
- Evaluate options for pretreatment
- Phase in or eliminate emergency connections to the Town of Farmville
- Eliminate need for “pilot studies”
- Evaluate / phasing/ building types / architecture
- Phase finished water storage at water treatment facility
- Further evaluate water main sizes



Other Project Options

- Water to Hampton Sydney College
 - Connection to Crewe and Burkeville
 - Other potential partners
- *All options will be thoroughly evaluated in the Interim Agreement Phase*



Conceptual Budget

- 2 mgd water treatment facility and distribution system (\$29 - \$34 million)
- Cost reduction opportunities (\$7 - \$9 million)
- Indirect project costs (\$0.8 - \$1 million)
- With reductions - \$23-26 million
- *Final cost based on scope developed in Interim Agreement*



Concerns to be Addressed

- Who will the customers be?
- How much will it cost?
- How do we know we get the best price?
- How will the tax payers be impacted?
- What will the treatment capacity be?
- How will the water quality issues be addressed?
- How will the VDH issues be addressed?



Financial Impacts

- Develop Financial Model
 - Use County's existing rates
 - Estimate consumption based on projected customers
 - Project revenues and expenses
 - Project debt service
 - Determine impact on tax rate
- Provide assistance in determining funding options



Financial Impacts

Options	Initial Connections	Projected Flow (Connections) 10 years	Projected Flow (Connections) 20 years	Initial Water Treatment Plant Capacity	Total Project Cost	Annual Debt	Projected Revenue	Impact on Tax Payer
Option 1: Rte. 15/HSC	220,000 gpd (733 ERCs)	437,000 gpd (1,457 ERCs)	696,000 gpd (2,320 ERCs)	1.0 mgd	TBD	TBD	TBD	TBD
Option 2: Connection to Crewe/Burkeville	517,000 gpd (1,723 ERCs)	518,000 gpd (1,727 ERCs)	521,000 gpd (1,737 ERCs)	1.0 mgd	TBD	TBD	TBD	TBD
Option 3: Options 1 + 2	737,000 gpd (2,456 ERCs)	955,000 gpd (3,184 ERCs)	1,217,000 gpd (4,057 ERCs)	1.5/2.0 mgd	TBD	TBD	TBD	TBD



Water Quality Issues

- TOC sampling
 - Address concerns of VDH
 - Eliminate pilot studies and pre-treatment
- Old Landfill
 - Quarterly sampling for VOC's
 - Near old landfill and at the water intake



PPEA Process and Interim Agreement

Benefits

- Project selection based on a variety of factors
- Achieve cost and schedule benefits of design-build
- Single point of responsibility for complex projects
- Enhances public participation in procurement decisions
- Collaborative process between the County and the design/build Team – project scope meets County’s objectives!
- Minimizes risk for both the County and the contractor
- Your concerns will be addressed in the Interim Agreement

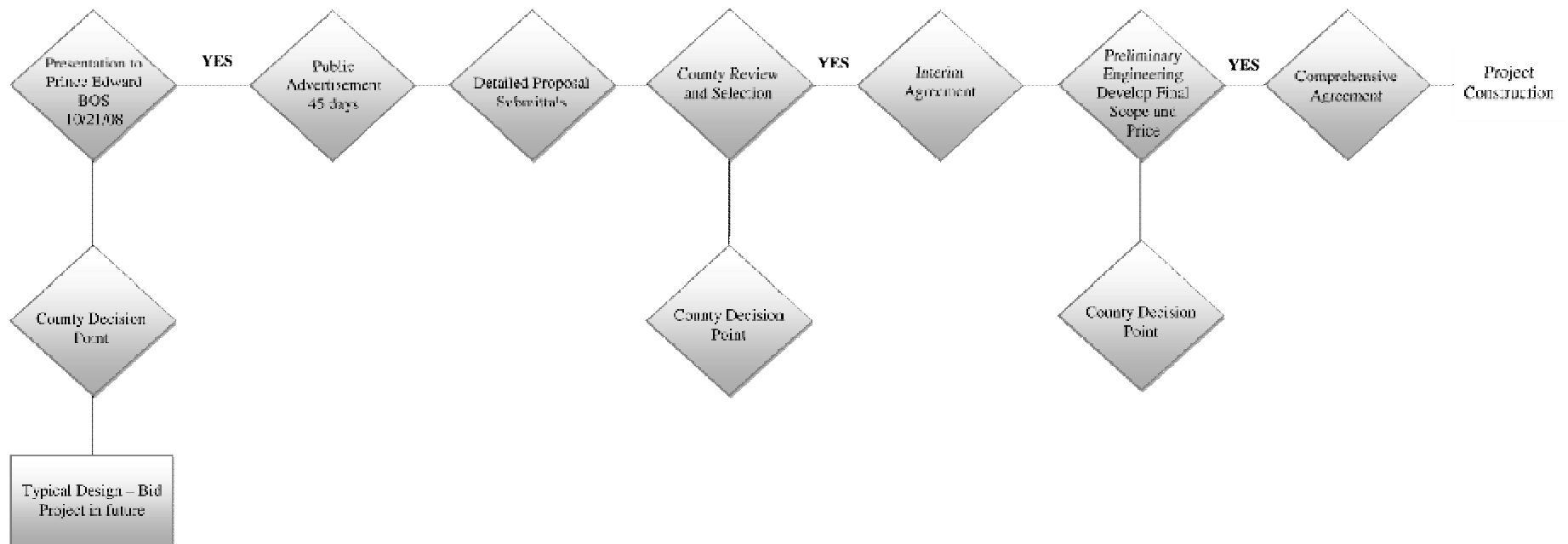


Next Steps

- Does the County want to proceed with the PPEA project delivery?
- If yes, start the negotiation of Interim Agreement



PPEA Implementation



Questions & Answers

