

Citizens' Water Committee Final Report to the Board of Supervisors

Briefing for Board of
Supervisors' Work
Session

July 24, 2010

Items to Discuss

- Alternatives
- Financing
- Possible Implementation

Recommendations – Selected Alternatives

In Priority Order:

1. **AquaVirginia split with Louisa based on usage**
2. **Free Enterprise split with Louisa based on usage**
3. **AquaVirginia – Fluvanna only**

AquaVirginia – Partnership with Louisa

- Supplies water to Zion Crossroads from the Aqua Virginia water plant at Lake Monticello.
- The source water for Fluvanna and Louisa County would be the James River
- The Fork Union Sanitary District (FUSD) could be sold to Aqua Virginia or FUSD would need to pay for water source improvements

Fluvanna County



Waterline Options





Option 11: Aqua Virginia Proposal

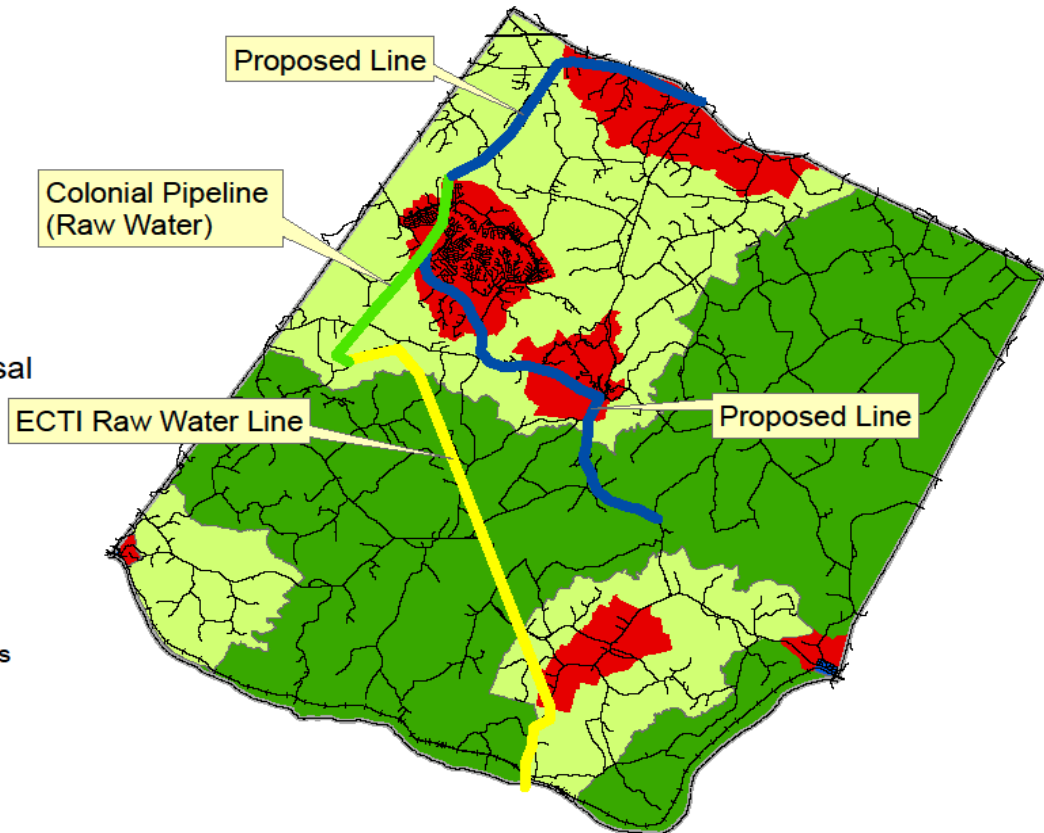
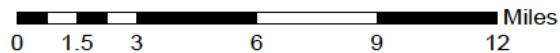
Date: 4/29/10



Legend

2009 Planning Areas

-  Community Planning Areas
-  Rural Preservation
-  Rural Residential
-  Town Boundaries



Free Enterprise – Partnership with Louisa County

- This alternative supplies raw (untreated) water to FUSD, the Prison and any other developer who wants to connect
- The users would need to permit, purchase and operate a treatment plant for their development.
- The prison has surface water treatment system and will continue their current operations.
- The Fork Union Sanitary District (FUSD) could be sold to Aqua Virginia or FUSD would need to pay for water source improvements

Fluvanna County



Waterline Options





Option 8: "Free Enterprise" Plan

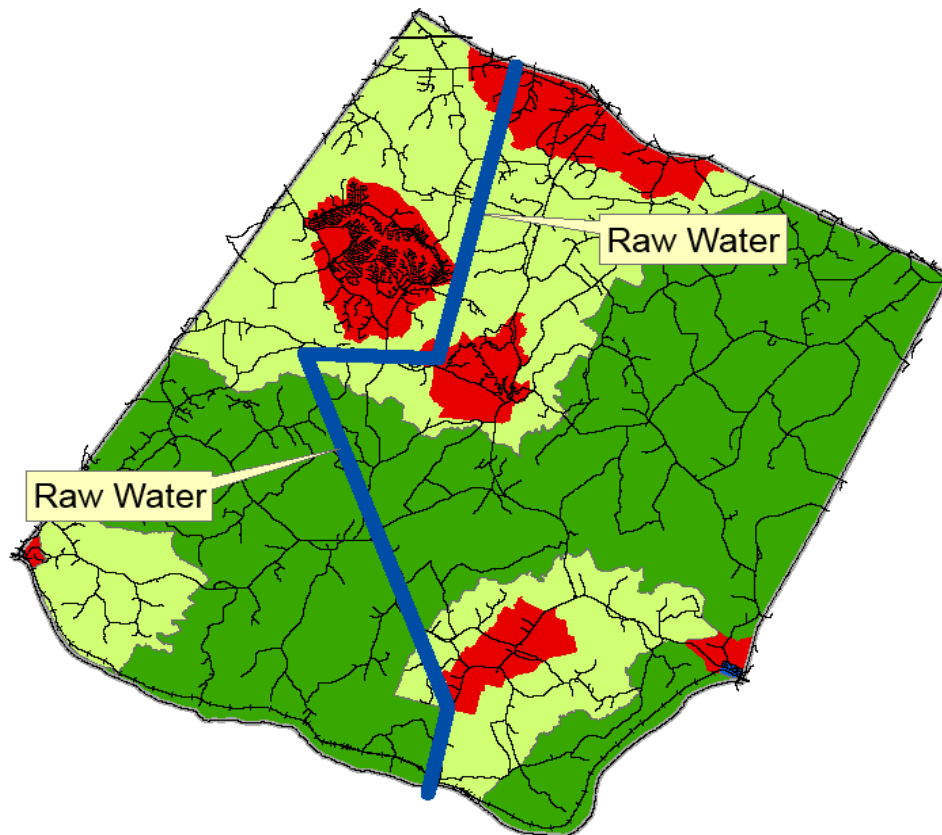
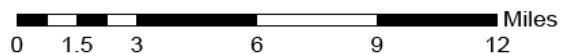
Date: 4/29/10



Legend

2009 Planning Areas

-  Community Planning Areas
-  Rural Preservation
-  Rural Residential
-  Town Boundaries



AquaVirginia – Fluvanna Only

- Supplies water to Zion Crossroads from the Aqua Virginia water plant at Lake Monticello.
- The source water for Fluvanna County would be the Rivanna River
- The Fork Union Sanitary District (FUSD) could be sold to Aqua Virginia or FUSD would need to pay for water source improvements

Note: Only the Northern Leg is Built in this Alternative

Fluvanna County



Waterline Options

Option 11: Aqua Virginia Proposal

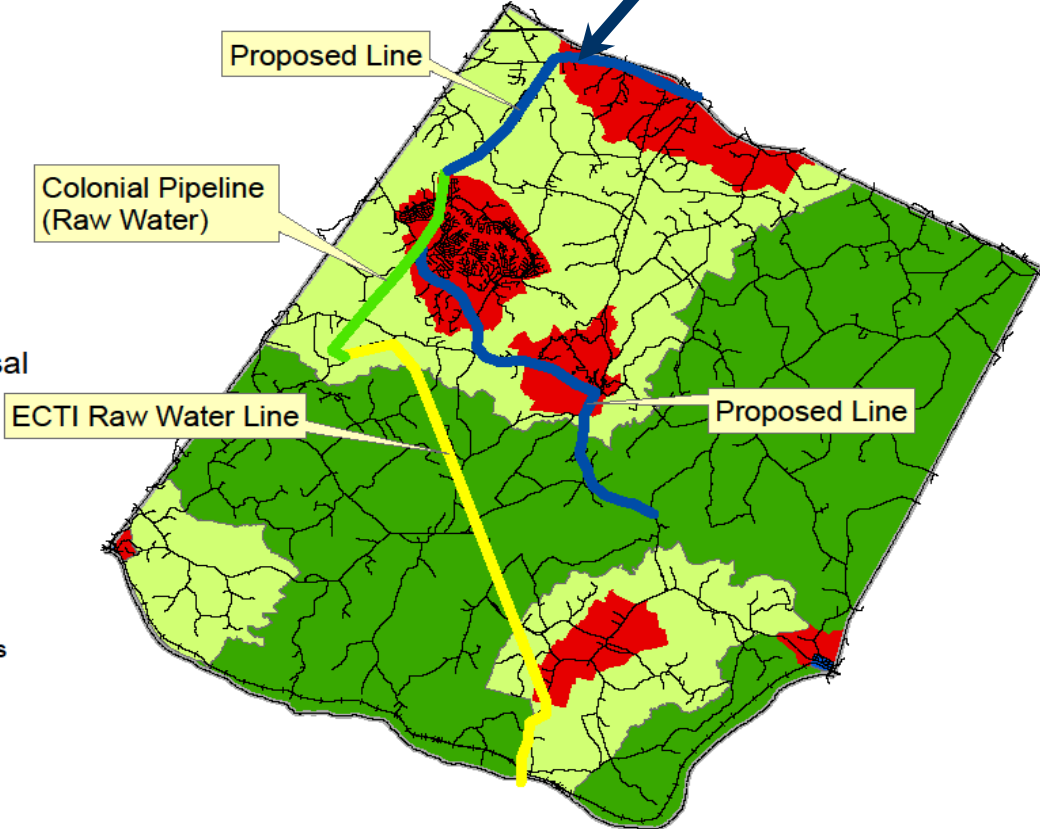
Date: 4/29/10

Legend

2009 Planning Areas

- Community Planning Areas (Red)
- Rural Preservation (Dark Green)
- Rural Residential (Light Green)
- Town Boundaries (Blue)

Scale: 0 1.5 3 6 9 12 Miles



Financial Model Results

| Alternative | Estimated Construction Cost | Max Tax Rate | Tax Years | Net Cash Flow | Avg Tax/Mo |
|------------------------------------|-----------------------------|--------------|-----------|---------------|------------|
| County is Broke | \$ - | \$ - | 0 | \$ - | \$ - |
| Free Enterprise | | | | | |
| Fluvanna Only | \$ 11,752,330 | \$ 0.016 | 29 | \$ 2,294,988 | \$ 2.49 |
| Split w/Louisa based on Usage | \$ 31,208,961 | \$ 0.009 | 8 | \$ 63,174,453 | \$ 0.07 |
| James/Rt 600 to Zion Xroads | | | | | |
| Split w/Louisa based on Usage | \$ 56,805,000 | \$ 0.035 | 13 | \$ 28,837,704 | \$ 3.91 |
| AquaVirginia | | | | | |
| Fluvanna Only | \$ 7,645,000 | \$ 0.018 | 14 | \$ 20,088,927 | \$ 1.59 |
| Split w/Louisa based on Usage | \$ 26,496,500 | \$ 0.014 | 9 | \$ 23,330,521 | \$ 0.75 |
| Cross County Go It Alone | \$ 22,000,000 | \$ 0.027 | 24 | \$ 11,360,354 | \$ 4.34 |

Note: Average Tax /Month Based on a \$250,000 property value

Citizens' Water Committee
7/24/2010

CWC Recommendations

- The CWC encourages the Board of Supervisors to take an approach that achieves the county goals while minimizing the financial burden on the residents of Fluvanna County
- The CWC strongly recommends to the Board of Supervisors that the James River Water Authority agreement be renegotiated and readdressed

Recommendations (Cont.)

Complete a more detailed financial analysis

- Verify selected alternative is viable and will have a realistic payback.
- Information should be made clear to the citizens in Fluvanna County

Need for a sewer plant and cost estimate

- Include any taxpayer contributions required to build or operate

Financing

- Virginia Resource Authority (VRA) – Revenue Bonds
- Economic Development Authority (EDA) – Industrial Revenue Bonds
- US Department of Agriculture (USDA) Rural Development - Revenue Bonds
- Community Development Authority (CDA) – Revenue Bonds paid by the area receiving the infrastructure (not the entire County)

Possible Implementation

- If the Board of Supervisors desires to pursue an option that included partners, it would be helpful to establish a subcommittee of the Board of Supervisors to negotiate (or even renegotiate) with the possible partners