



Presentation to the Chatham County Board of Commissioners



AQUASM

November 21st



Mission

Protecting and providing
Earth's most essential resource.



Vision

At Aqua America, we know that water is a precious resource – one that plays a critical role in sustaining life. We take seriously our responsibility to protect and provide this essential resource. We are committed to sustainable business practices; excellent customer service; attracting and developing top talent; the strategic growth of our company; delivering shareholder value; investing in technology and infrastructure; and giving back to the communities in which we operate. We do all these with integrity and transparency

Aqua America is one of the largest U.S. based, publicly traded water and wastewater utility companies.

Serving eight states
and three million
people across the U.S.



Delivering quality
water & wastewater

Municipal
Collaboration:
Working
together for a
solution

24/7/365 U.S based
customer service



Build & maintain
thousands of miles of
pipe & water main



Invest capital into
new and existing
infrastructure

Our Difference



Our Capabilities



24/7 Customer Service



Water Treatment and Distribution



Wastewater Collection System and Treatment



Preventative and Emergency Maintenance



Continuous System Monitoring



Engineering Asset Management and Capital Planning



Regulatory Compliance

Where We Serve



North Carolina At-A-Glance



282k PEOPLE SERVED



1600+ WELLS



51 COUNTIES



160 EMPLOYEES



59 WASTEWATER TREATMENT PLANTS



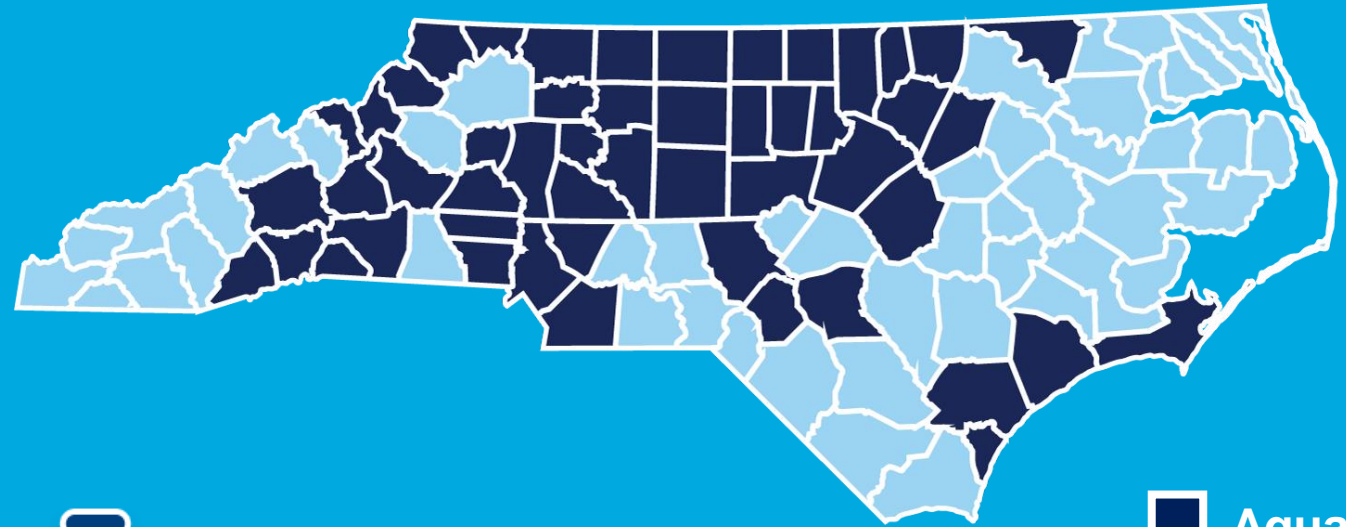
80k WATER CONNECTIONS



17k WASTEWATER CONNECTIONS



750 WATER SYSTEMS



 Aqua

Chatham County Communities Served by Aqua



Water

- ~ 900 Water Customers a mix of
 - Purchased Water from:
 - Town of Pittsboro (3)
 - Chatham County (5)
 - Community Well Systems
 - Owned by Aqua (3)



Wastewater

- ~ 2300 Wastewater customers
 - 11 subdivisions

21 Different Communities

- Beechwood Cove
- Carolina Meadows
- Cedar Terrace
- Chapel Ridge
- Chatham
- Cole Park Plaza
- Colvard Farms
- County Line Plaza
- Governors Club
- Governors Forest
- Governors Village
- Hidden Valley
- Laurel Ridge
- Parks at Meadowview
- Polk's Landing
- Polk's Trail
- The Legacy at Jordan Lake
- The Preserve at Jordan Lake
- Westfall
- Woodbridge

Wastewater Treatment Facilities



Westfall

90,000gpd WWTF to be constructed in phases to serve 240 single family residential equivalent connections, community amenities, plus a potential school



The Preserve @ Jordan Lake

194,000gpd WWTF for 517 single family residential connections, plus community amenities



Colvard Farms

50,000gpd WWTF for 206 single family residential connections, plus community amenities, exclusively for the development



Chapel Ridge

500,000gpd WWTF designed for 1744 single family residential equivalent connections, plus community amenities

Wastewater Treatment Facilities



Cole Park Plaza
50,000gpd WWTF
designed for retail
shopping center; fully
committed capacity



Carolina Meadows
350,000gpd WWTF
designed for Carolina
Meadows development



Governors Club
300,000gpd WWTF
designed **exclusively**
for Governors Club
development, K-8
School, & potential
North Chatham High
School



The Legacy @ Jordan Lake
185,000gpd WWTF
designed for 463 SFRE,
plus amenities and ESA

Spray Irrigation

- Spray irrigation is a method for disposing of secondary treated wastewater by spraying it on the land surface. The sprayed water either evaporates into the air, soaks into the soil, or percolates through the soil and recharges the ground water. Land application of treated wastewater has advantages over conventional means of disposal by direct discharge to streams because the applied water recharges the ground-water system and increases base flow in streams. Additional benefits are derived from the "natural" treatment that takes place in the soil when plants and other biota remove some nutrients (nitrogen and phosphorus) from the water. The removal of nutrients is one advantage spray irrigation has to conventional disposal methods like instream discharge.



Partnering with Aqua | Acquisition

How It Works

- Aqua purchases, operates and provides capital for system(s)
- Aqua serves, meters, and bills customers, who are regulated by state utility commission or local regulation



Key Benefits

- 1** Town receives capital to retire debt & invest
- 2** Provides a source of added tax revenue
- 3** Eliminate risk of non-compliance
- 4** Town can focus on core governmental functions
- 5** Aqua is a community partner for economic development
- 6** Aqua has financial resources to address expansion

Balancing Costs and Benefits - Prudence

**Capital Costs &
Operating Costs**

Rates



Reliable Design

Compliance

Rates & Regulation: North Carolina Utilities Commission

- In North Carolina, the rates, rules and regulations (“tariff”) of water and sewer utilities are regulated, controlled, and audited by the North Carolina Utilities Commission (“NCUC”).
- All rates are subject to NCUC rate cases and are transparent. They are thoroughly reviewed & audited.
- NCUC provides fair regulation of public utilities in the interest of the public

REVENUE REQUIREMENT EQUALS

CAPITAL COSTS:

- Debt (Interest) Best Available
- Equity (Net Income) NCUC Approved
- Depreciation Accounting Standard

OTHER EXPENSES:

- Operating Cost Most Efficient
- Taxes Law

Partnering with Aqua | Public-Private Partnership

How It Works

- Aqua provides design, engineering, construction, O&M and finance for system
- Aqua provides services for an extended period in return for established payments through a lease
- System transfers to government ownership at no additional cost at the end of the term

Key Benefits

- 1** Up front payments to municipality
- 2** Significant time savings in procurement process
- 3** Access to alternative financing
- 4** Faster delivery of new facilities or facility upgrades
- 5** Greater access to expertise & technology solutions
- 6** Increased focus on other municipal functions

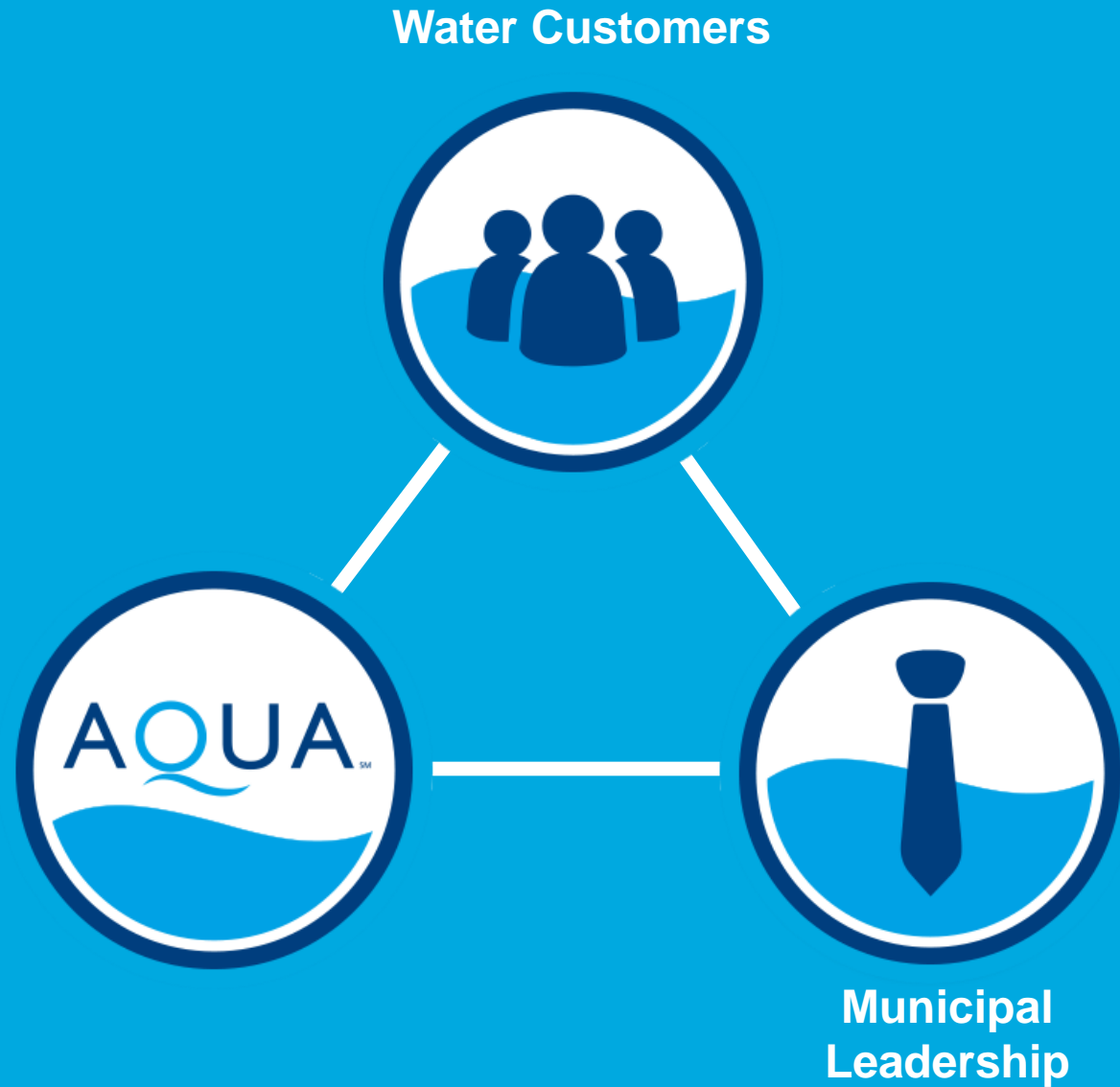


“Aqua followed through on the commitment they made to address the challenges we faced with our water utility system.”

Mayor Larry Franks

Village of Philo

Partnership Formula



Aqua gives back

Aqua is a community partner, not only for economic development, but for programs which make an impact on the communities we serve: donations to charitable organizations, community clean-up efforts and participating in local community organizations.



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We're Ready For Your Questions