

Hayama Azalea Pipe Works Joint Venture signs contract for the "Hayama Town Sewage Water PPP for pipeline facility management and renewal integrated management Project"

Hayama Azalea Pipe Works Joint Venture

The Hayama Azalea Pipe Works Joint Venture has been selected as the preferred negotiating party for the "Hayama Town Sewage Water PPP (Pipeline Facility Management and Renewal Integrated Management) Project" and signed a business contract with Hayama Town on February 18, 2026. The Joint Venture is composed of three companies: Tokyu Construction Co., Ltd. (Headquarters: Shibuya-ku, Tokyo; President: Mitsuhiko Terada) as the representative company; Fuji Surface Information Co., Ltd. (Headquarters: Minato-ku, Tokyo; President: Antoine Alagna); and Chuo Sekkei Engineering Co., Ltd. (Headquarters: Kanazawa City, Ishikawa; President: Hideyuki Nishihara).

This Project adopts the "Water PPP Level 3.5 (Renewal Implementation Type)*1" scheme. It aims to ensure the sustainable operation of Hayama Town's sewage water business through the integrated management of pipeline facility maintenance and renewal, leveraging the technical and management know-how and ingenuity of private companies. Through this Project, the Joint Venture aims to contribute to sustainable sewage water management for the future, including water quality conservation in public water areas, decarbonization, cost reduction, and the suppression of renewal costs. Notably, this is the first project in Japan to adopt the Water PPP Level 3.5 (Renewal Implementation Type) targeting solely sewage water pipeline facilities.

All companies in the Joint Venture—Tokyu Construction, Fuji Surface Information, and Chuo Sekkei Engineering—will collaborate closely with Hayama Town by holding discussions and facilitating handovers to prepare for the project's scheduled launch in April 2026.

Project Overview

1. Project Name: Hayama Town Sewage Water PPP (Pipeline Facility Management and Renewal Integrated Management) Project

2. Scope of Services:

- **Maintenance-related operations** (Planned maintenance, customer service, maintenance planning support, etc.)
- **Reconstruction-related operations** (Reconstruction planning support, design, construction, construction supervision, other related matters)
- **General management-related operations** (General management, information management, self-monitoring, other related services)

3. Contract Period: April 1, 2026 to March 31, 2036 (10 years)

4. Contract Amount: 1,830,000,000 yen (excluding tax)

**1 Water PPP Level 3.5 is a new public-private partnership scheme promoted by the Ministry of Land, Infrastructure, Transport and Tourism and the Cabinet Office. By integrating water and sewage water maintenance with reconstruction (renewal) elements, it is expected to achieve effects and benefits similar to concessions (Level 4). It is designed to be an accessible method for local governments as it does not require the establishment of public facility operating rights.*

Reference Link Hayama Town Sewage Water PPP (Pipeline Facility Management and Renewal Integrated Management) Project Screening Results
<https://www.town.hayama.lg.jp/material/files/group/12/2025111901.pdf>

Tokyu Construction Co., Ltd.: A general construction company with bases nationwide, possessing a strong management foundation as a member of the Tokyu Group. Its track record includes 18 PFI/Concession projects, such as the Hamamatsu City Public Sewage Water Terminal Treatment Plant Operation Project (Japan's first sewage water concession), the Miyagi Prefecture Integrated Water Supply, Industrial Water, and Sewage Water PPP Project (concession including water supply), and the Osaka City Water Supply Trunk Line Seismic Retrofitting Project (pipeline PFI). It also has CMR experience in the Ofunato CM Project, which included survey, design, and construction under the reconstruction CM method following the Great East Japan Earthquake.

Fuji Surface Information Co., Ltd.: Fuji Surface Information is a member of the Veolia Group, providing solutions to solve environmental challenges alongside municipalities and corporate clients. Since its establishment, the company has conducted pipeline network maintenance operations centered on on-site surveys and responses, such as leakage surveys. Currently, it comprehensively manages pipeline network and water facility maintenance as well as revenue collection services. As a group member well-versed in the maintenance of water and sewage water pipeline facilities, the company implements proposals that adapt knowledge from overseas concession projects to the actual conditions in Japan.

Chuo Sekkei Engineering Co., Ltd.: A group company of a construction consultancy firm that plays a part in Japan's top five, with bases nationwide and a track record in all aspects of water and sewage water services. In addition to nationwide experience in DB/DBO projects, the company is participating in the Moriya City Water and Sewage Water Facility Management Comprehensive Supervision Outsourcing, which is similar to the Water PPP Level 3.5 (Renewal Support Type).

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