

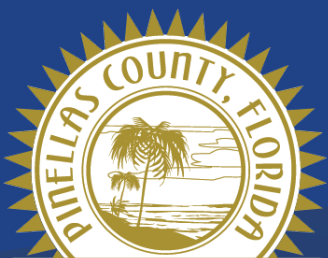
Water, Sewer and Reclaimed Water System Updates



Utilities Department

Jeremy Waugh, PE, Director of Utilities

April 16, 2026



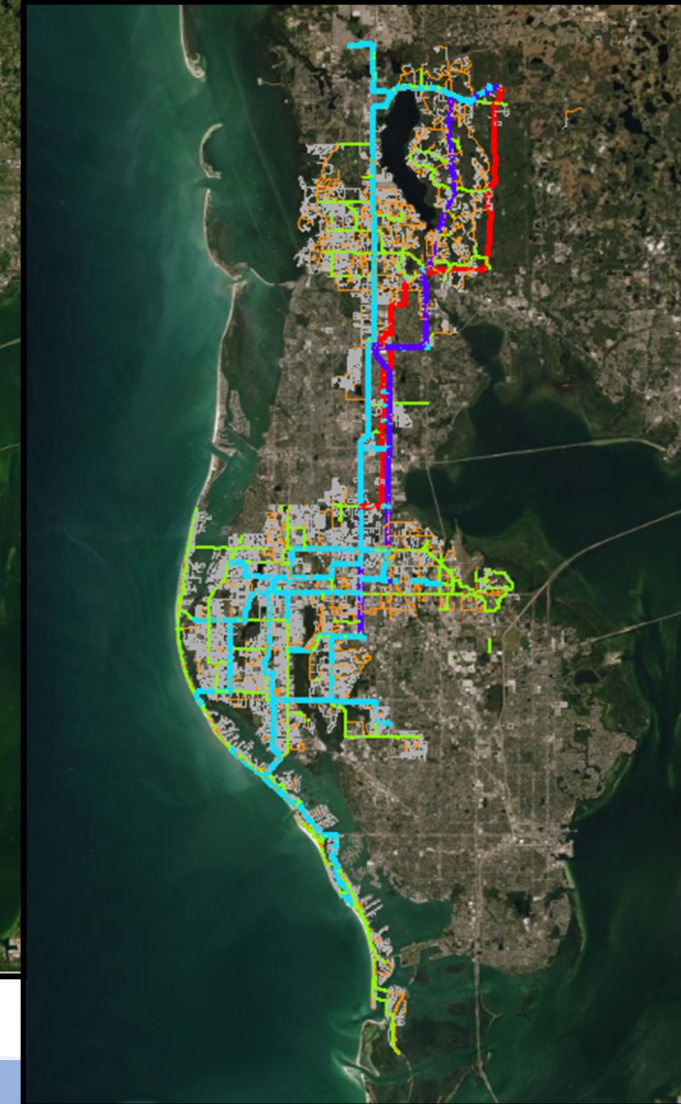
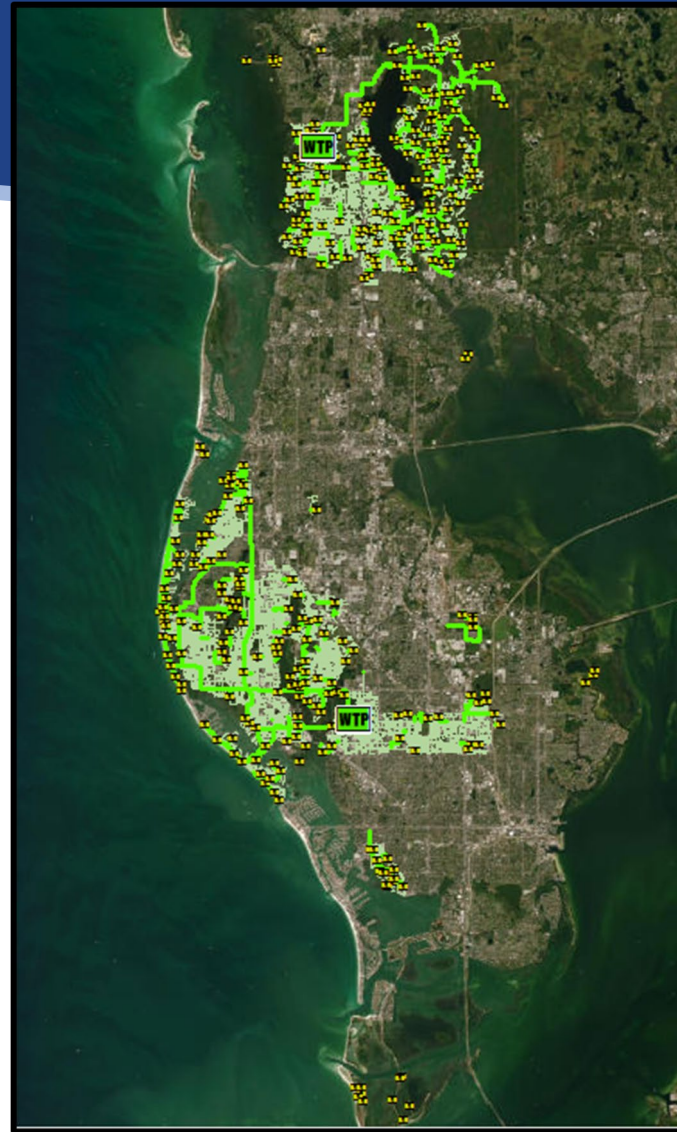
BOARD OF
COUNTY COMMISSIONERS

Our Vision: To Be the Standard for Public Service in America



Agenda

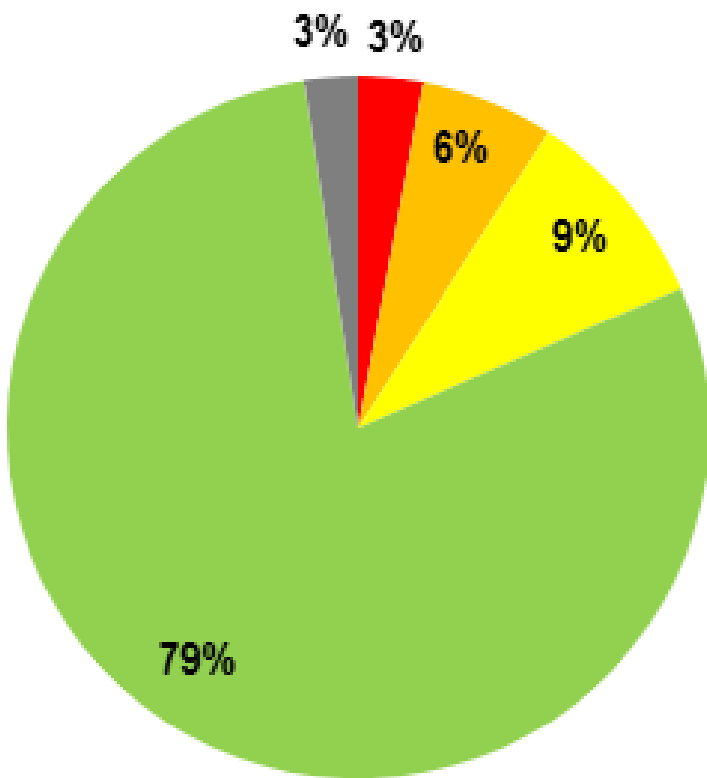
- **1. State of the Assets**
 - Business Risk Exposure
 - Remaining Useful Life
 - Asset Condition
- **2. Capital Improvement Program**
 - Strategies
 - Funding Estimates
- **3. Financial Overview**
- **4. Customer Service Summary**



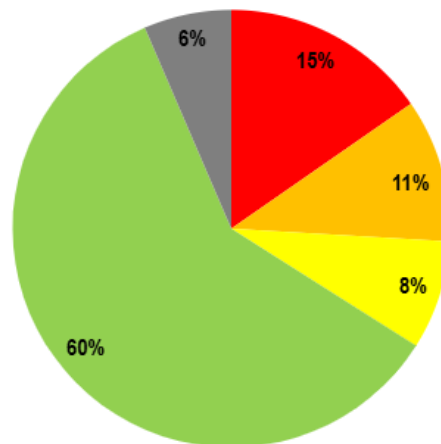
1. Sewer Assets - Business Risk Exposure

ALL SEWER ASSETS BRE

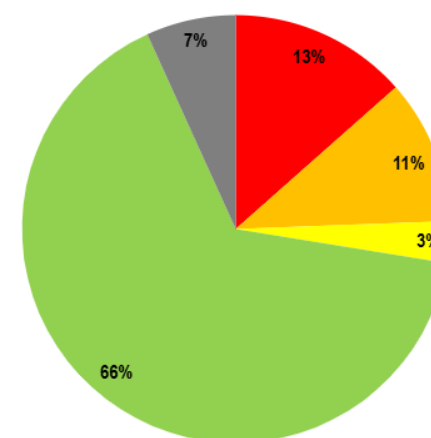
Total Assets: 61k



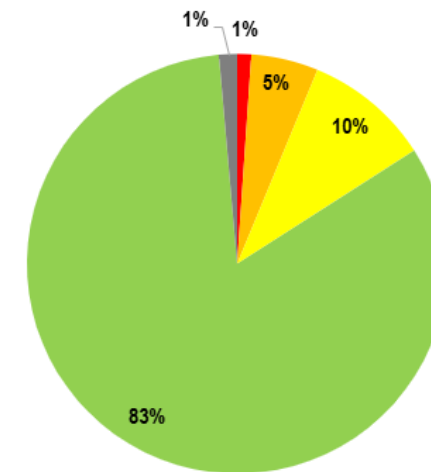
SEWER TREATMENT PLANTS BRE



PUMP STATIONS BRE



HORIZONTAL SEWER BRE

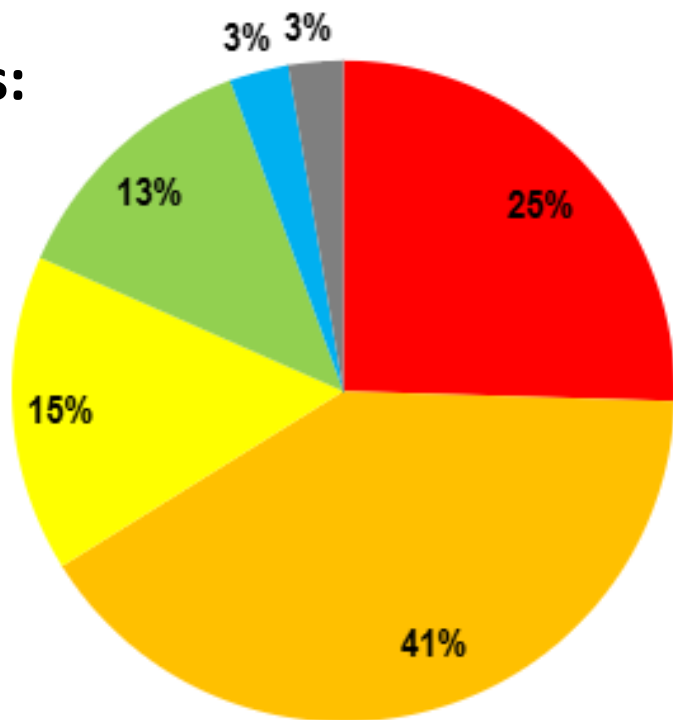


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 ■ Moderate
 ■ Low
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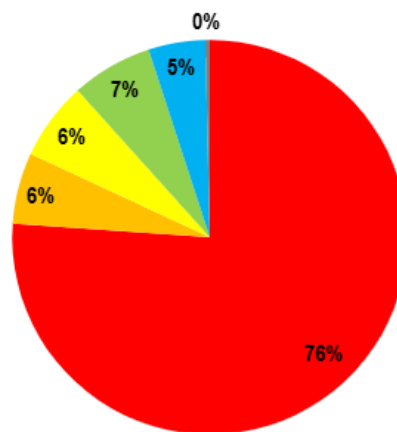
Sewer Assets - Remaining Useful Life

SEWER ASSETS % RUL

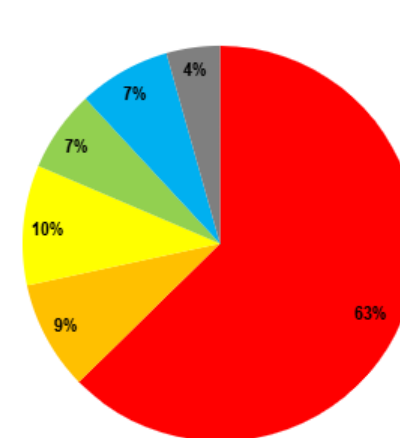
Total Assets: 61k



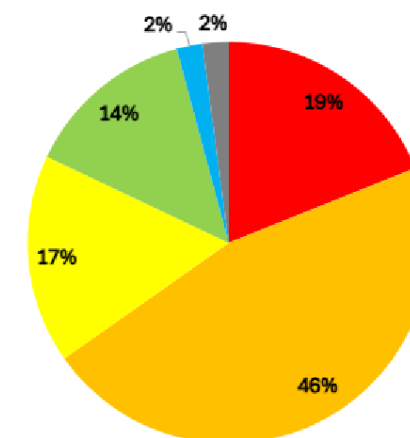
SEWER TREATMENT PLANTS % RUL



PUMP STATIONS % RUL



HORIZONTAL SEWER % RUL

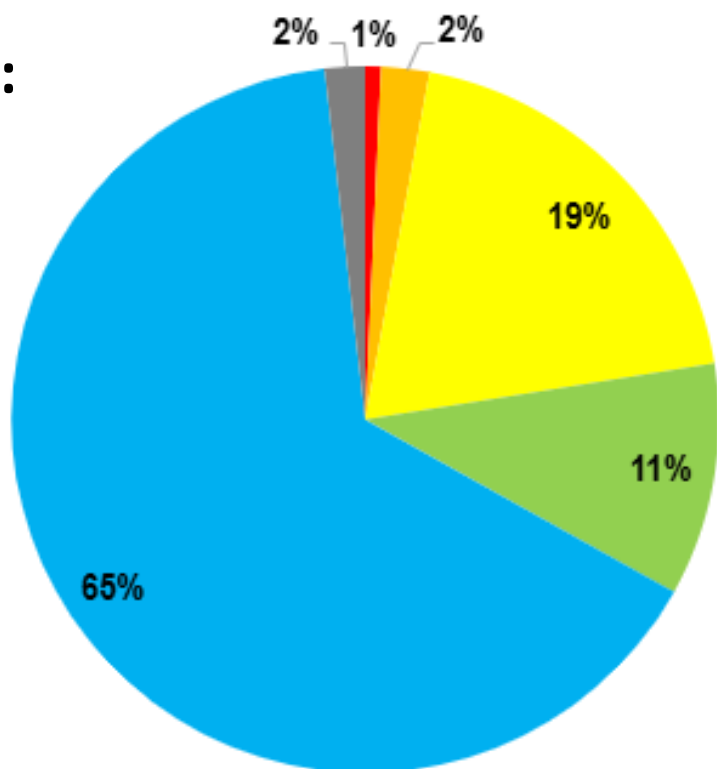


■ <20
 ■ 20-39
 ■ 40-59
 ■ 60-79
 ■ 80-100
 ■ NULL

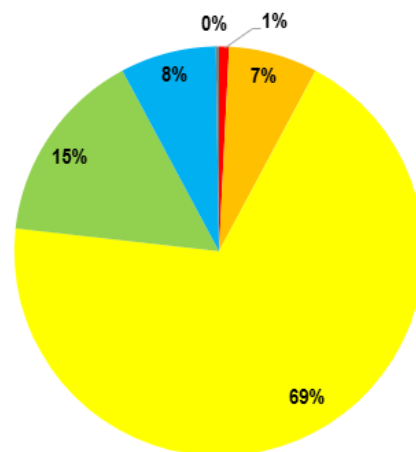
Sewer Assets -Current Condition

Total Assets:
58k

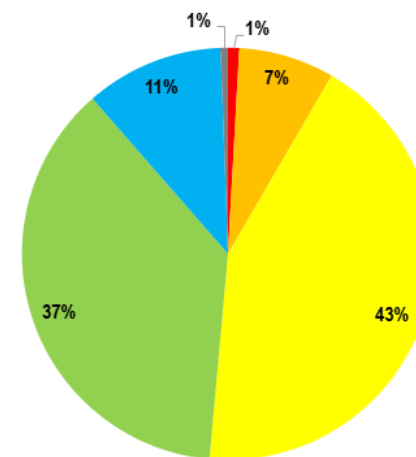
ALL SEWER ASSETS



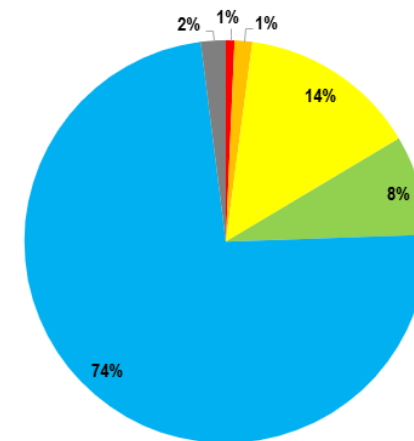
SEWER TREATMENT PLANTS



PUMP STATIONS



HORIZONTAL SEWER

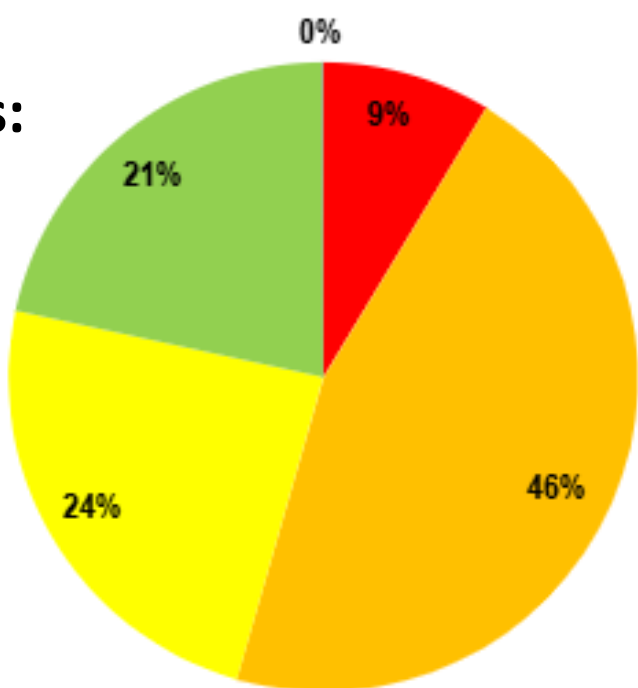


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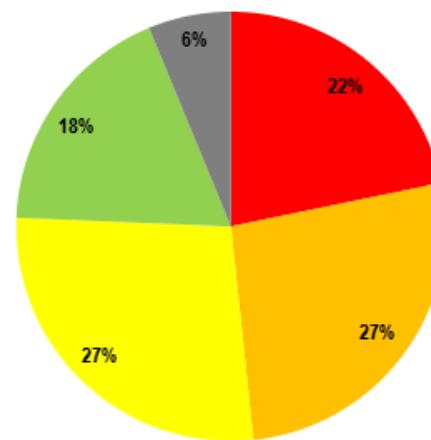
Water Assets - Business Risk Exposure

ALL WATER ASSETS BRE (excludes AMI Meters)

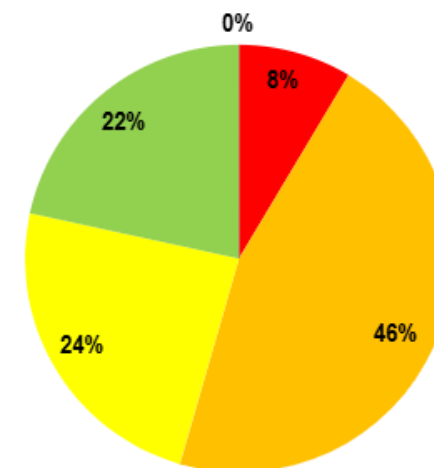
Total Assets: 173k



WATER TREATMENT PLANT BRE



HORIZONTAL WATER % BRE

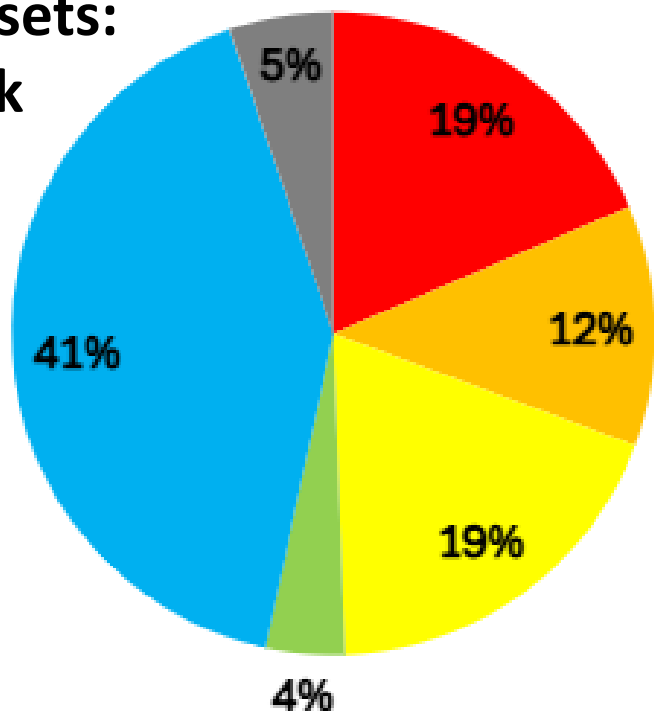


■ Extreme
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 ■ Moderate
 ■ Low
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Water Assets - Remaining Useful Life

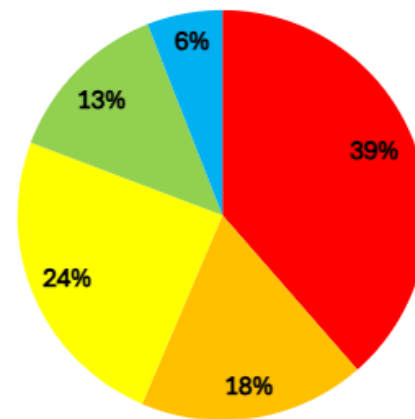
WATER ASSETS % RUL

Total Assets:
288k

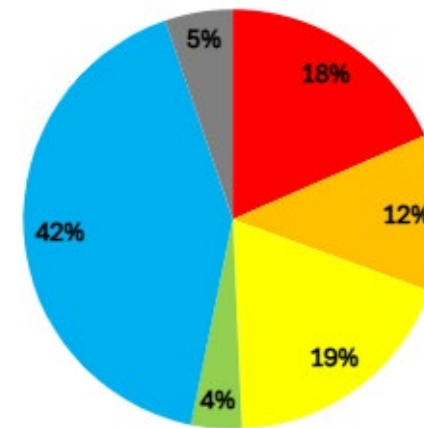


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WATER TREATMENT PLANT % RUL



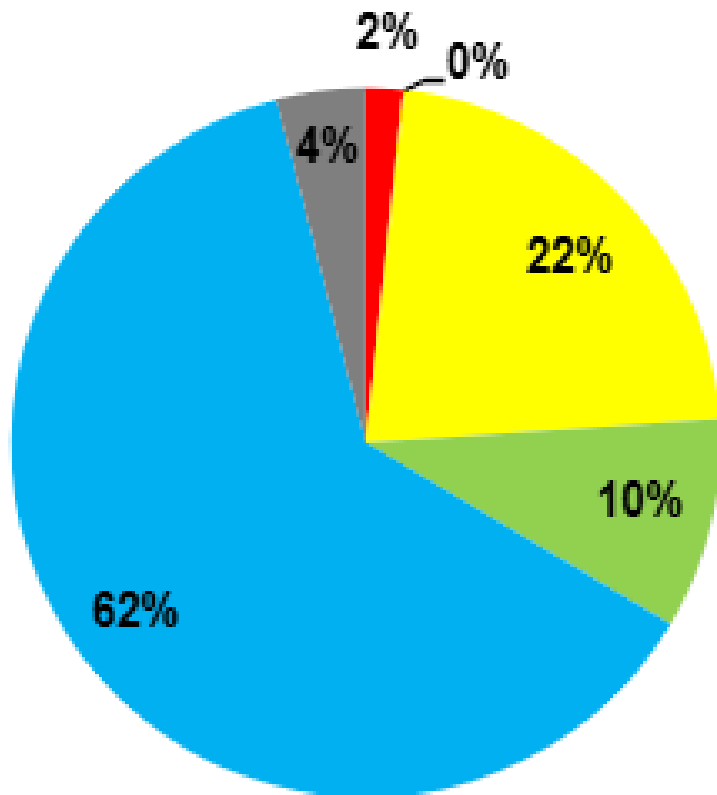
HORIZONTAL WATER % RUL



Water Assets - Current Condition

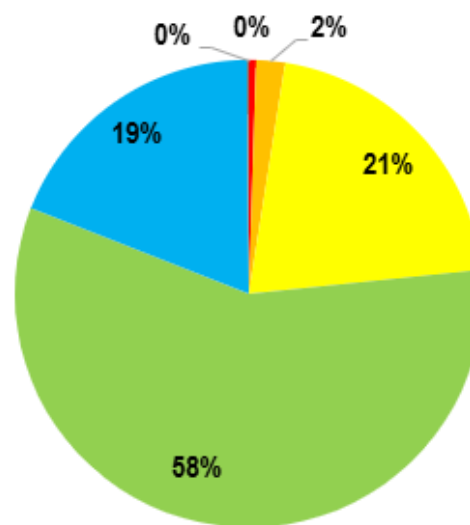
ALL WATER ASSETS (excluding some buried pipes)

Total Assets:
208k

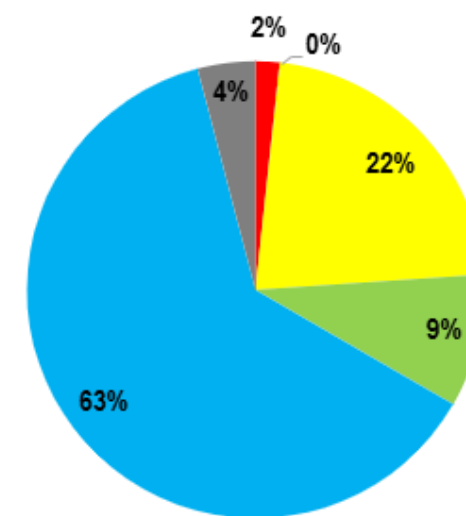


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WATER TREATMENT PLANT

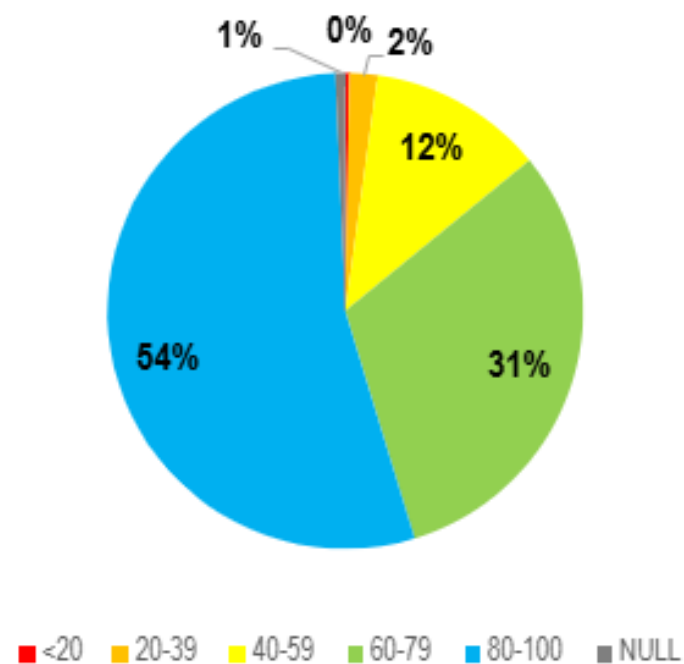


HORIZONTAL WATER

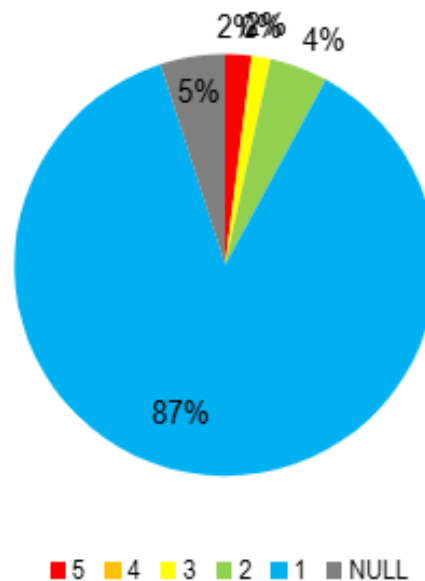


Reclaimed Water Assets

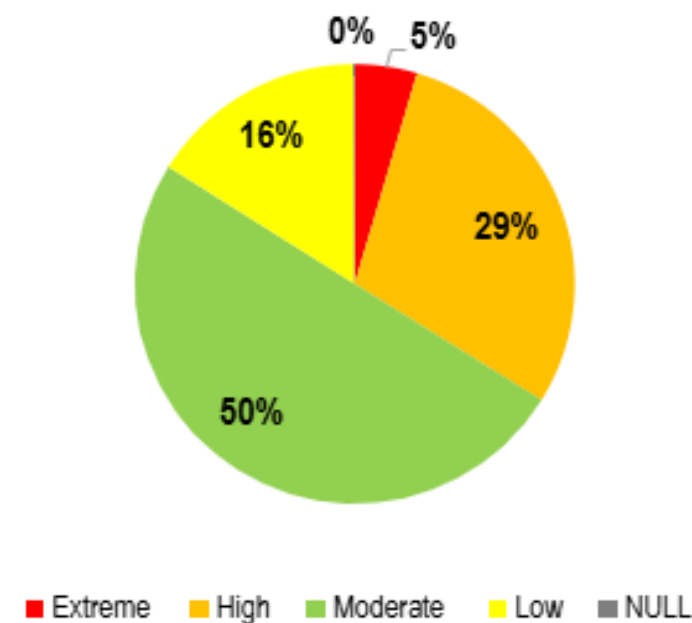
HORIZONTAL RCW ASSETS % RUL



HORIZONTAL RCW ASSETS CONDITION RATING



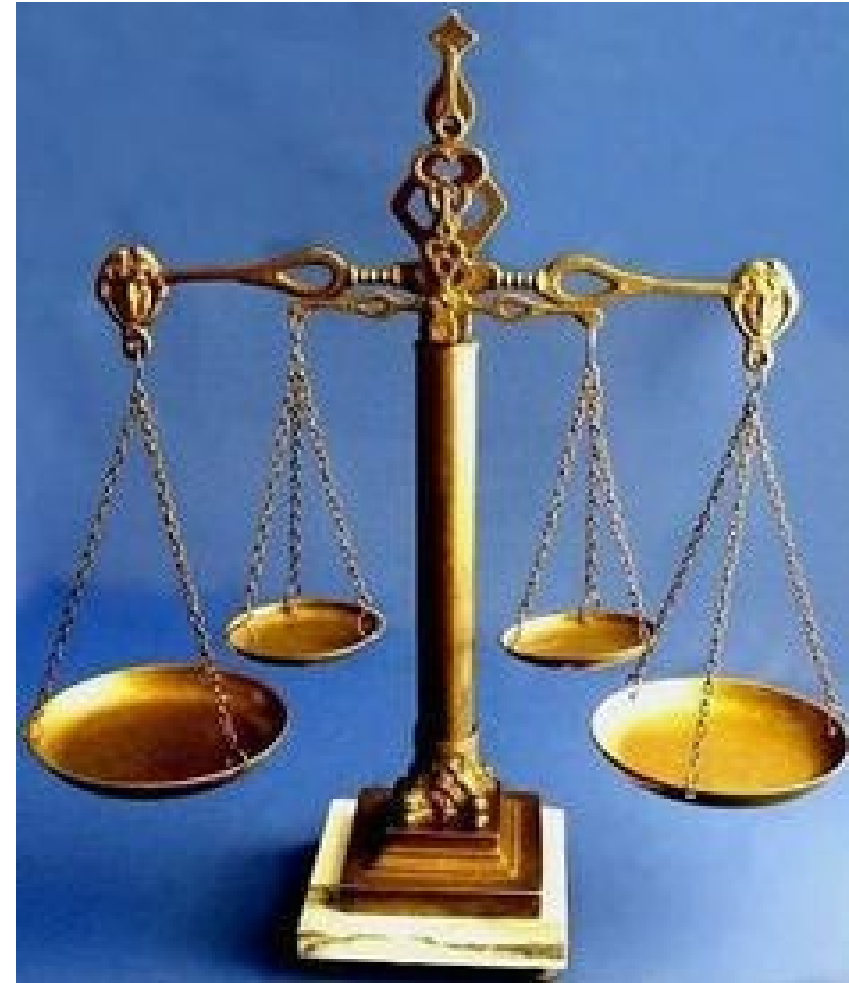
HORIZONTAL RCW ASSETS BRE



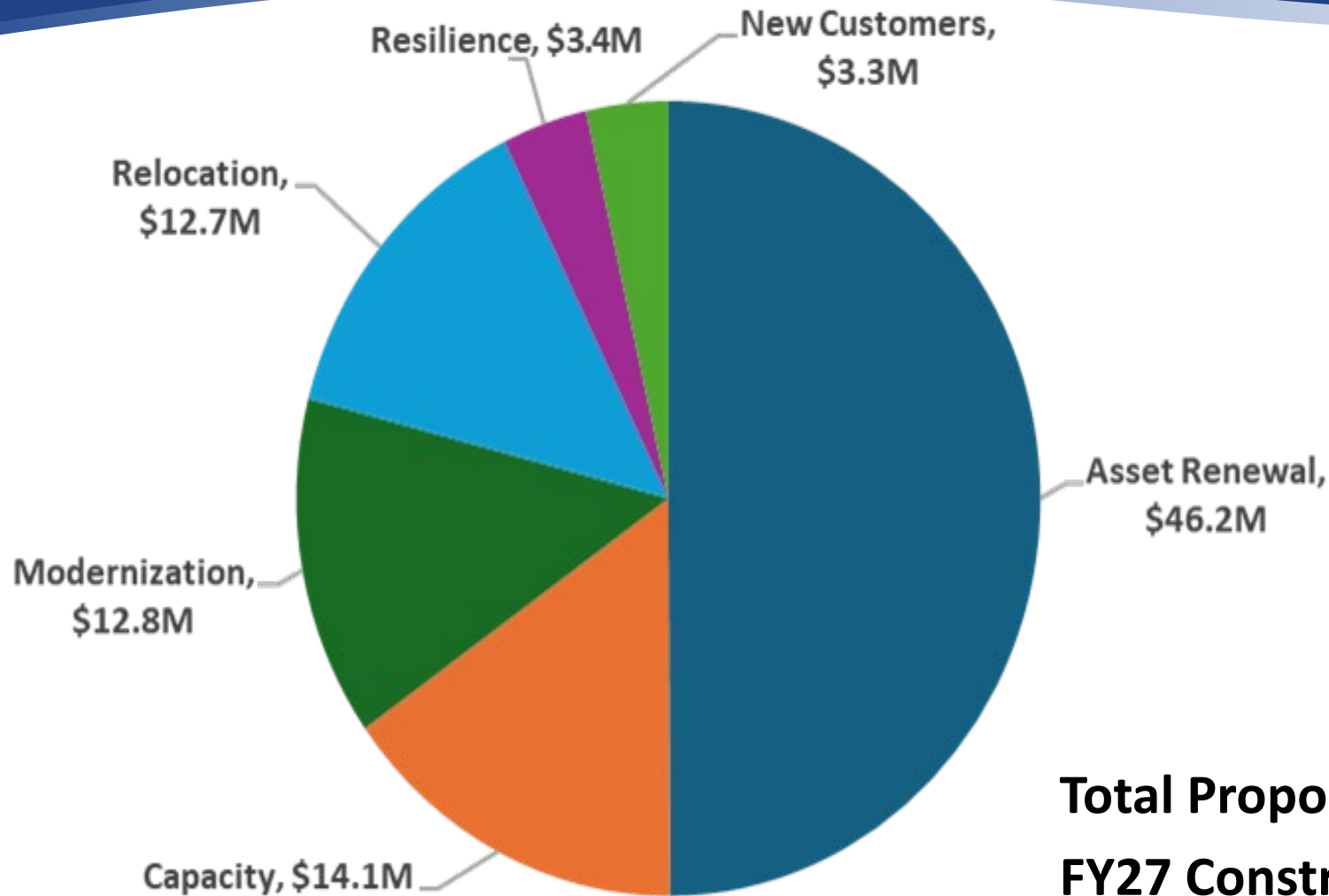
2. CIP Development Strategy

Balance of Multiple Factors

- Asset Maintenance
 - Remaining Useful Life
 - Condition
 - BRE
- Customer Level of Service
- Modernization/Efficiency
- Regulatory
 - Homeland Security Upgrades
 - Regional and State alignment
- Resiliency
- Capacity/Future Demand



FY27 CIP Overview by Project



Project Driver	FY27 Number of Projects
Asset Renewal	40
Capacity	5
Modernization	7
New Customers	4
Relocation	19
Resilience	7
Total:	82

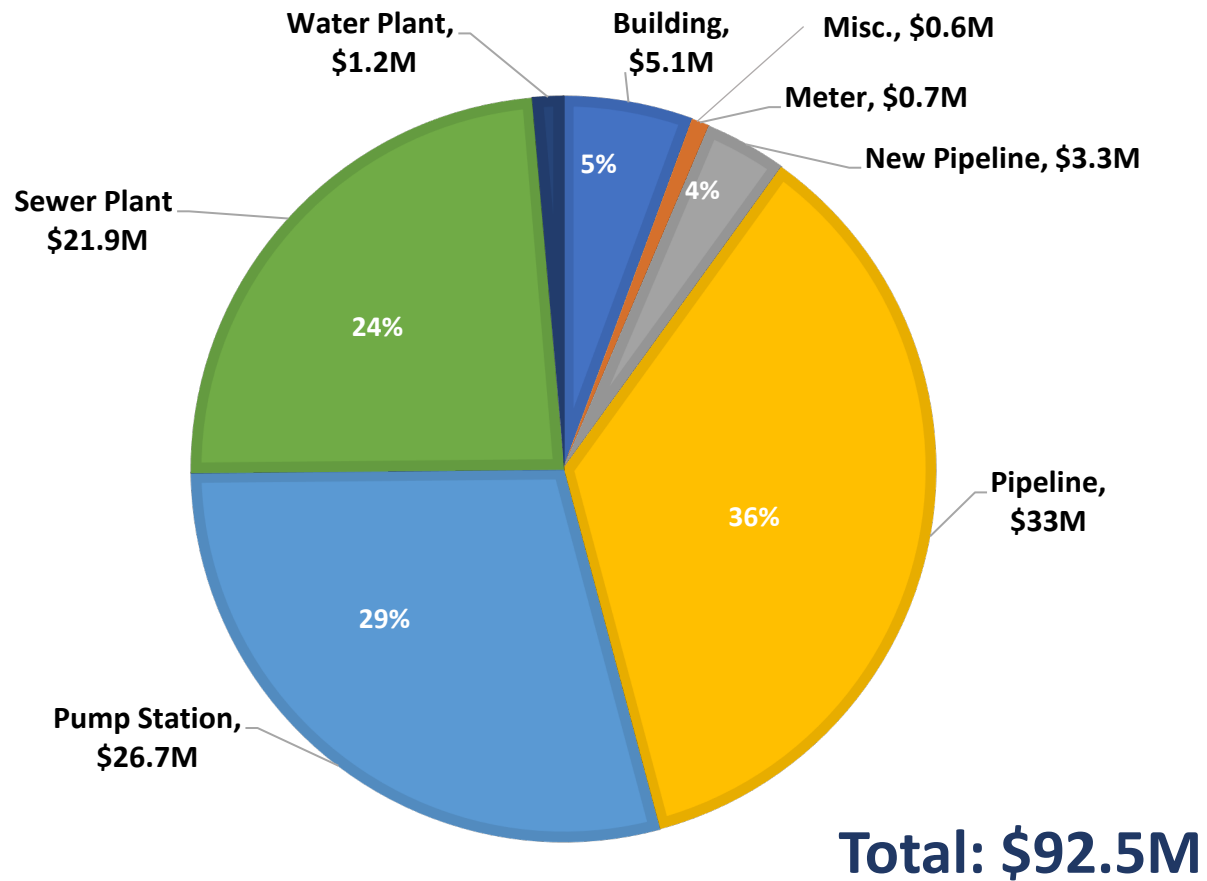
Total Proposed FY27 CIP: \$92.5M

FY27 Construction Projects: \$67M

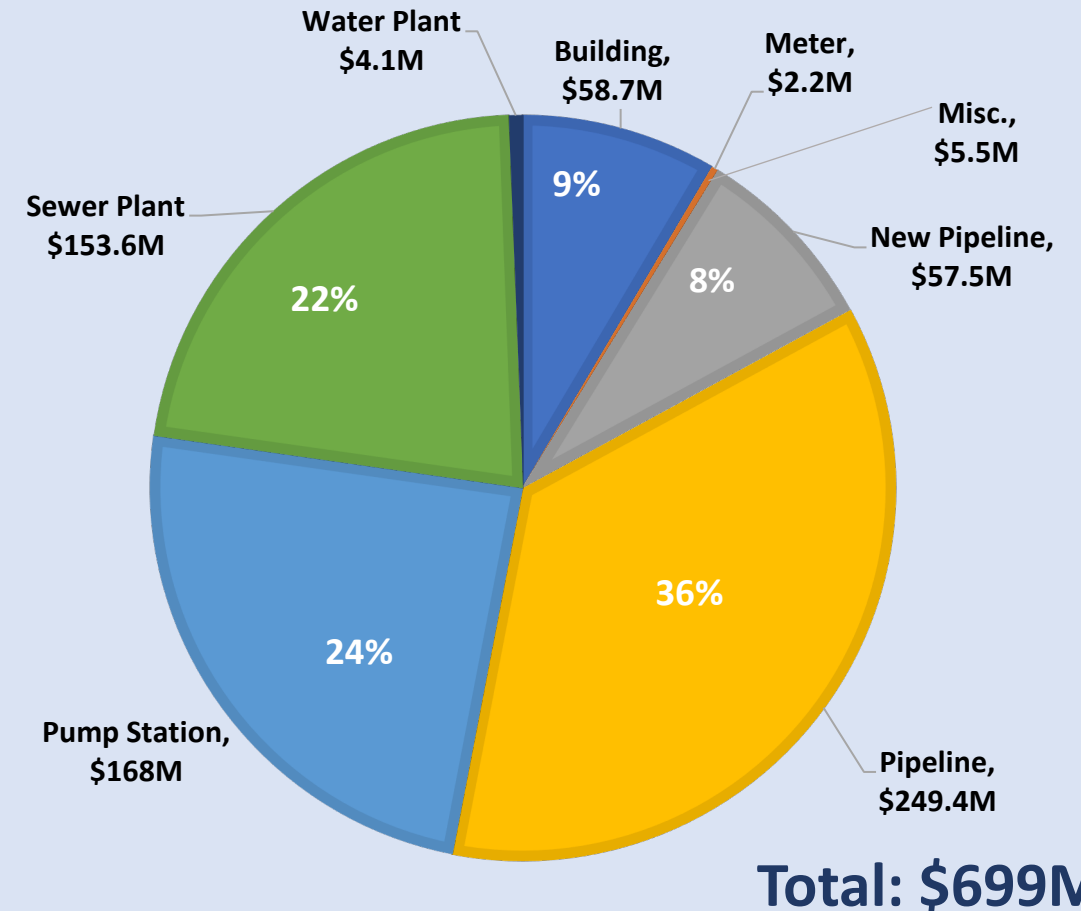
FY27 – FY32 CIP Overview by Asset Type



FY27 CIP Projects by Assets



6-Year CIP Projects by Assets



3. FINANCIAL ANALYSIS - FY27-FY32 CIP Funding



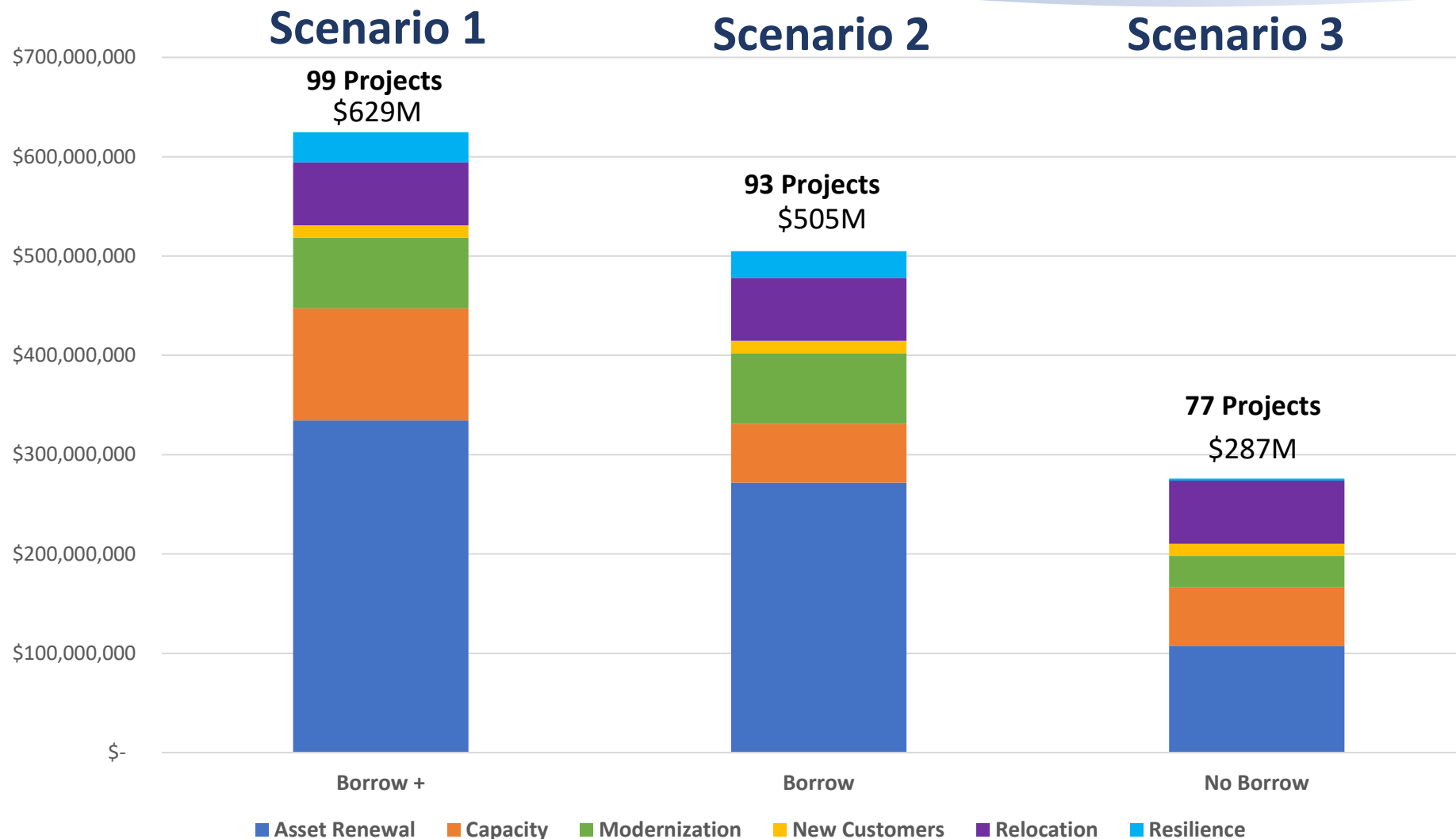
	Proposed CIP	Funded Budget	Funding Needed	Proposed Additional Revenue	Balance TBD
Water	\$195 M	\$80 M	\$115 M	\$100 M	\$15 M
Sewer/Reclaimed	\$434 M	\$207 M	\$227 M	\$123 M	\$104 M
Total	\$629 M	\$287 M	\$342 M	\$223 M	\$119 M

Note: ~\$70M projects that rely on future grants are not included in the financial analysis

Note: The 4-year utility rates approved in 2023 anticipated future borrowing

Note: PCU Total Borrow Capacity ~\$400M.

Comparison: 6-Yr Example Funding Scenarios



Borrowing Context

- Existing Water system currently has no debt
- Existing Sewer system has debt retiring in FY28, FY31, and FY32
 - Current Sewer Debt is 2.8% interest rate.
- Each \$50 million of borrowing creates \$3.3 million of annual loan payments (30 yrs, 5%)
 - Rate impact of \$2 - \$3 /mo. on average.
- Example Borrow of \$225M results in \$9 - \$13.5 / mo. on average.

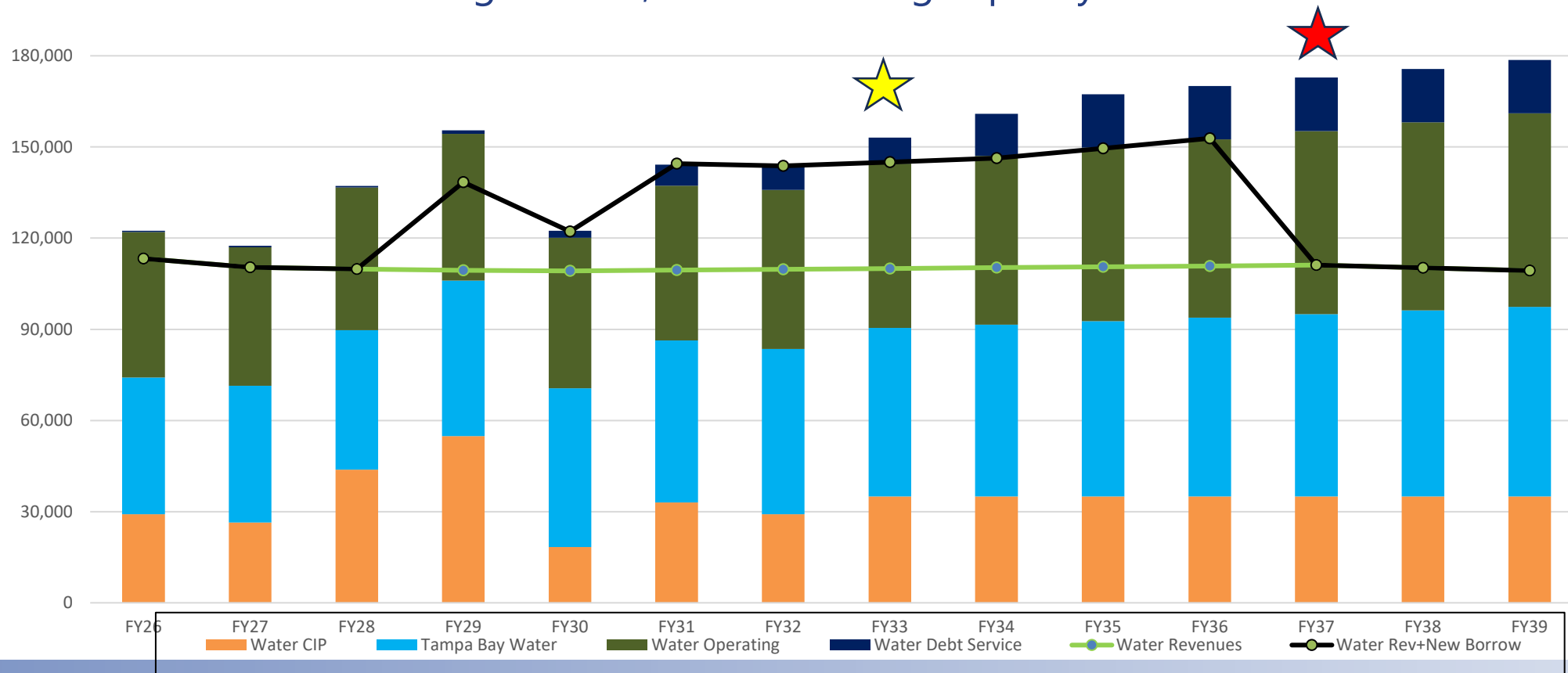
Financial State Water Fund



Example: Flat User Rates

Projected using 2.8% CPI for Operating Costs

Costs exceed borrowing in FY33, and borrowing capacity exceeded in FY37



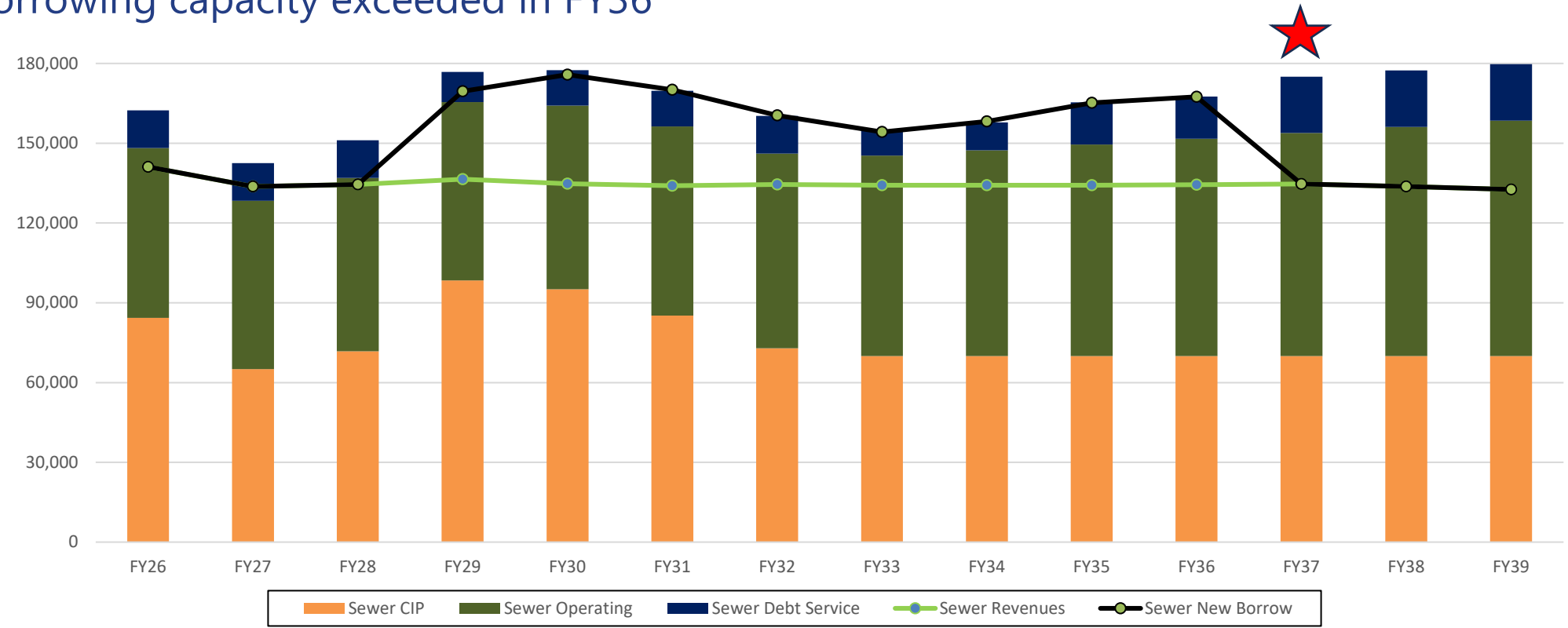
Financial State Sewer Fund



Example: Flat User Rates

Projected using 2.8% CPI for Operating Costs

Borrowing capacity exceeded in FY36



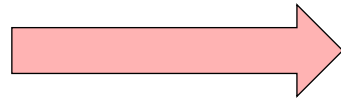
4. Customer Service Status



In late FY 23 and FY24:

- Drought and RCW shortage
- Hurricanes
- AMI Meter Installs
- Rate Increases

18 Cust. Service Reps

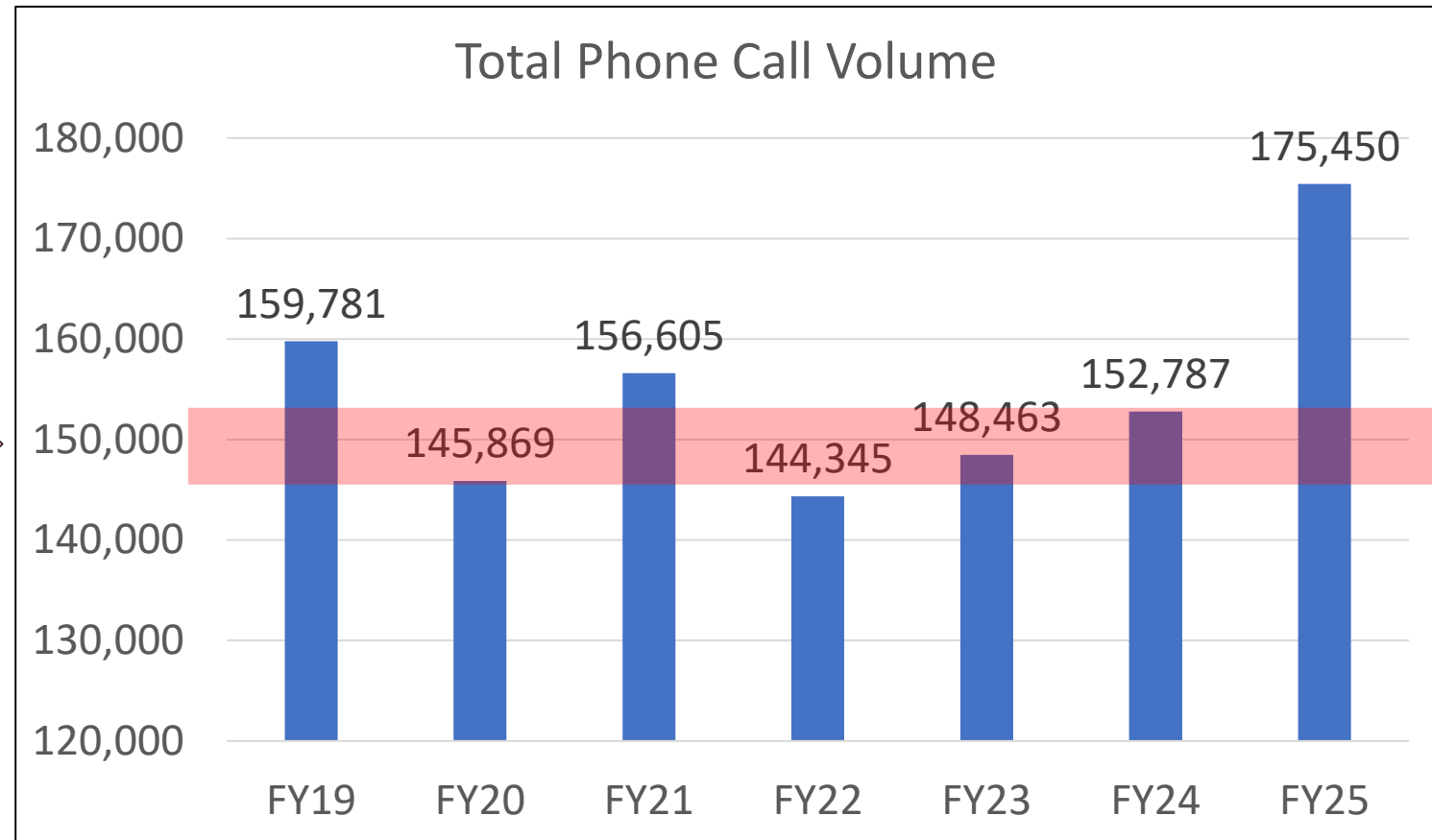


2 Supervisors

(Assumes full staffing)

FY26 – Average Call Time 6 min.

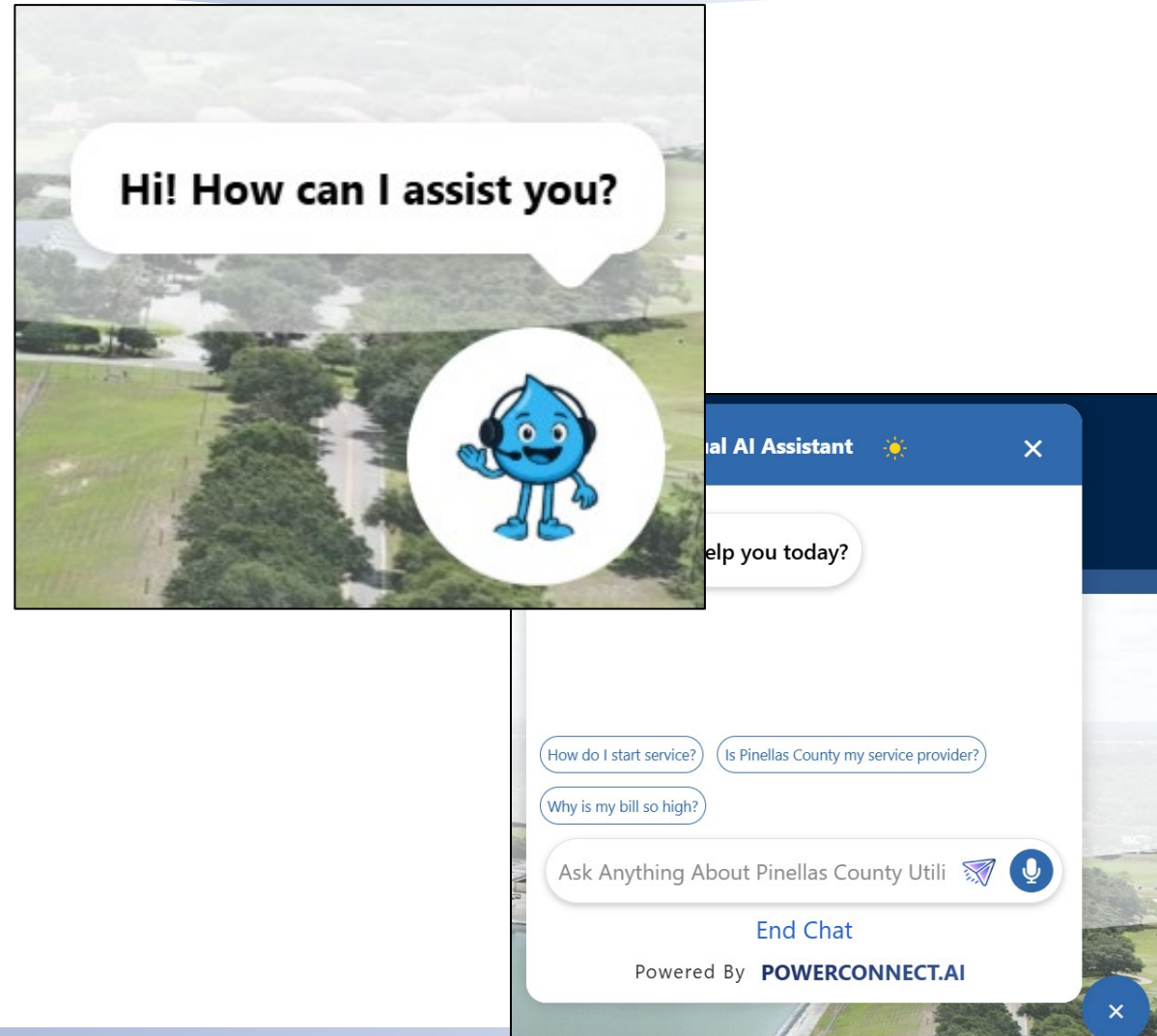
22% Abandonment Rate



Customer Website and Phone AI Bots

In 2026:

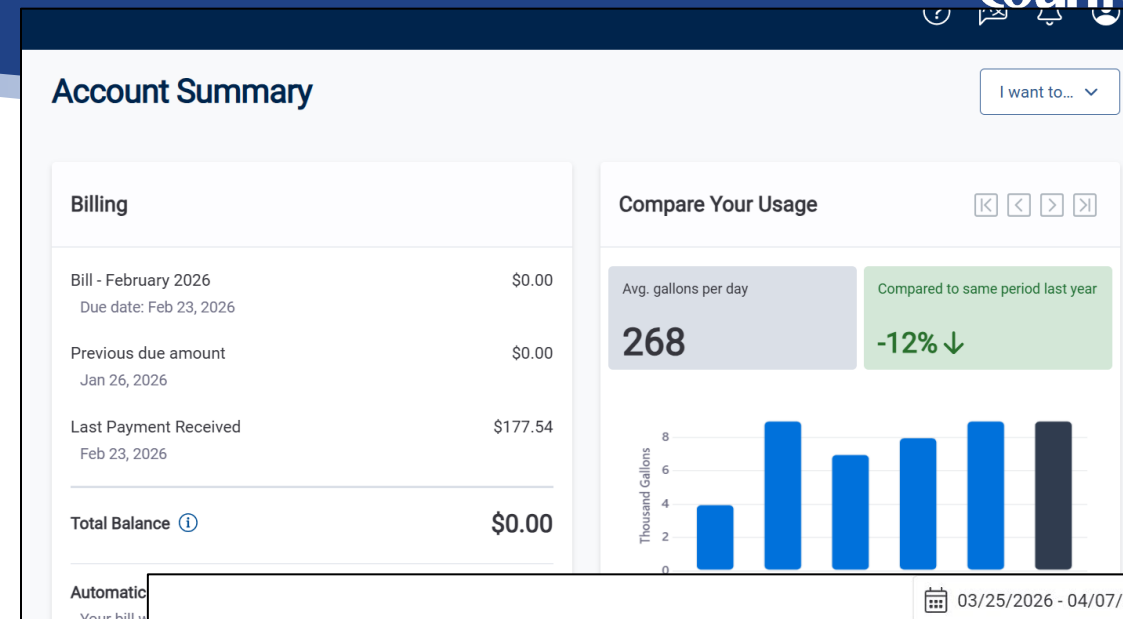
- Launched Website AI ChatBot
 - 5,138 Unique Queries
 - Continually Learning
 - Based ONLY on PCU and County website info
- Revising Phone Call Tree
 - Adding AI Call Routing
 - Adding “Emergency vs Account” separate tree branches



Customer Portal and Engagement

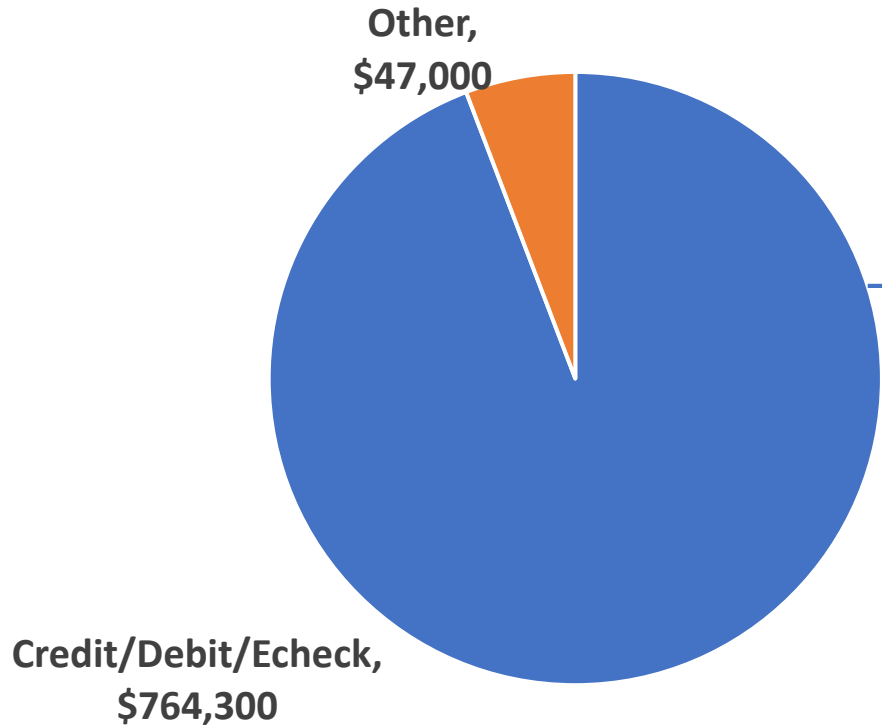


- 2025 Customer Engagement Team Created
 - Creating Individual Case Managers for Difficult Customer Issues
 - Proactively Contacting most Obvious cases of Water Leaks and Usage Anomalies
- 2026 Customer Portal Improvements
 - Improving Customer Notification process within Portal.
 - Connecting Portal Services with AI Web Bot to allow self help account transactions to occur
 - Creating Water Outage Map

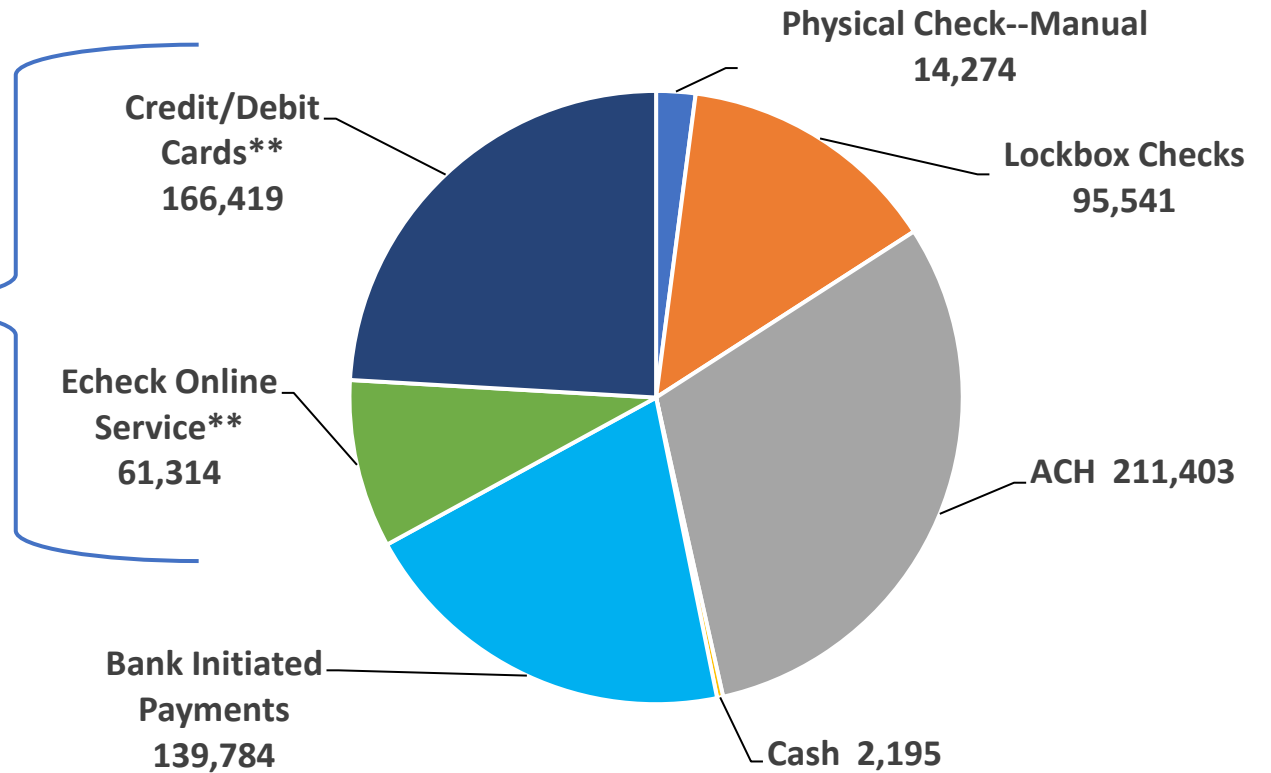


Payment Type Fee Charges

Transaction Fees by Type



Annual # of Items per Payment Method



94% of fee costs (\$764k) are paid directly by customers on 1/3 of all transactions
All other fees (\$47k) are paid by PCU on 2/3 of all transactions