



Utilities Quarterly Update Meeting of the Board of County Commissioners

Surface Water Supply Expansion Project Update

January 9, 2024



Agenda



- **Surface Water Supply Expansion Project Overview**
- **Potential Project Costs**
- **Decision Schedule**

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Surface Water Supply Expansion Project

PR3 Project



- New 9 BG Reservoir
- New River Pump Station & Pipeline
- New/Rehab. Reservoir 1 Pump Sta.
- Environmental Mitigation
- \$331M



PRF Expansion Project



- New 24 MGD Plant Expansion
- New Chemical Storage & Pumping
- New Belt Filter Press
- \$153M

15 to 18 MGD Avg Day Yield

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Estimated Total Project Costs SWSEP

SWEP Project Construction Cost Est.	\$	464,000,000
Mitigation	\$	20,000,000
Total Est. SWEP Costs Outstanding	\$	484,000,000
Grant Funding (SWFWMD)	\$	(112,000,000)
Total Cost for Financing	\$	372,000,000
Capital Cost per MGD	\$	20,666,667
Capital Cost per Gallon	\$	20.67

Additional State and Federal grant funding has been requested for FY2025

SWEP 18 MGD Allocation Examples

➤ Sarasota County	12 x 20.67 =	\$248 MM
➤ 12 MGD (Minimum)		
➤ DeSoto County	1 x 20.67 =	\$20.67 MM
➤ 1 MGD		
➤ Charlotte County	3 x 20.67 =	\$62 MM
➤ 3 MGD		
➤ Available Allocation	2 x \$20.67 =	\$41.33 MM
➤ 2 MGD		
	TOTAL =	\$372 MM

Current Charges per 1,000 Gal

	Charlotte (16.1 MGD)	DeSoto (.675)	Sarasota (15.06)	North Port (2.865)
Debt	\$ 0.44	\$ 1.11	\$ 1.39	\$ 1.08
Fixed Annual Cost	\$ 1.43	\$ 1.43	\$ 1.43	\$ 1.43
System-Wide CIP Contribution	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14
Metered Rate	\$ 1.09	\$ 1.09	\$ 1.09	\$ 1.09
Total Cost per 1,000 Gallons	\$ 3.10	\$ 3.77	\$ 4.05	\$ 3.74

Potential Cost for SWEP

- Assumptions
 - \$372 Million to Finance
 - WIFIA/Bond Structure
 - Includes capitalized interest, wrapped debt service
 - Estimated Interest Rate: 4.62%
- Charlotte SWEP Allocation: 3 MGD
 - \$62 Million Capital Cost (16.67% of total)

Potential Cost for SWSEP

➤ Model Results:

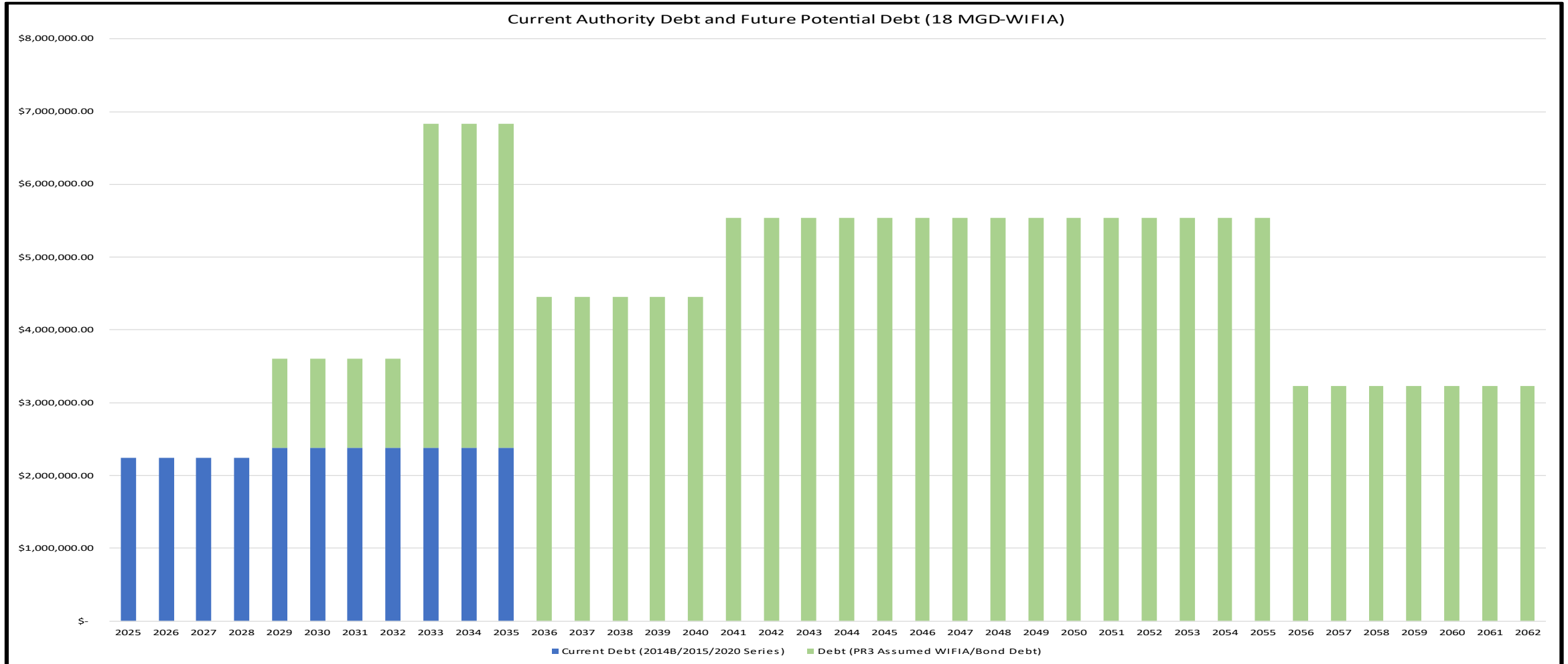
Fiscal Year	Debt per kGal (Additional 3MGD Allocation Only)	Debt per kGal (Current 16.1 MGD Allocation)	Total Assumed Allocation (MGD)	Homogenized DS Rate from PRMRWSA \$/Kgal (Total Assumed Allocation)	Difference (per Kgal) of Current Debt & Homogenized DS Rate
2025	\$ -	\$ 0.38	16.1	\$ 0.32	\$ -
2026	\$ -	\$ 0.38	16.1	\$ 0.32	\$ -
2027	\$ -	\$ 0.38	16.1	\$ 0.32	\$ -
2028	\$ -	\$ 0.38	16.1	\$ 0.32	\$ -
2029	\$ 1.12	\$ 0.41	19.1	\$ 0.52	\$ 0.11
2030	\$ 1.12	\$ 0.41	19.1	\$ 0.52	\$ 0.11
2031	\$ 1.12	\$ 0.40	19.1	\$ 0.52	\$ 0.11
2032	\$ 1.12	\$ 0.40	19.1	\$ 0.52	\$ 0.11
2033	\$ 4.07	\$ 0.41	19.1	\$ 0.98	\$ 0.57
2034	\$ 4.07	\$ 0.40	19.1	\$ 0.98	\$ 0.57
2035	\$ 4.07	\$ 0.41	19.1	\$ 0.98	\$ 0.57
2036	\$ 4.07	\$ -	19.1	\$ 0.64	\$ 0.23
2037	\$ 4.07	\$ -	19.1	\$ 0.64	\$ 0.23
2038	\$ 4.07	\$ -	19.1	\$ 0.64	\$ 0.23
2039	\$ 4.07	\$ -	19.1	\$ 0.64	\$ 0.23
2040	\$ 4.07	\$ -	19.1	\$ 0.64	\$ 0.23



**\$.44 potential
monthly increase
to average user
from current rates**

*Rates are prospective and subject to change

Assumed Annual Debt Service



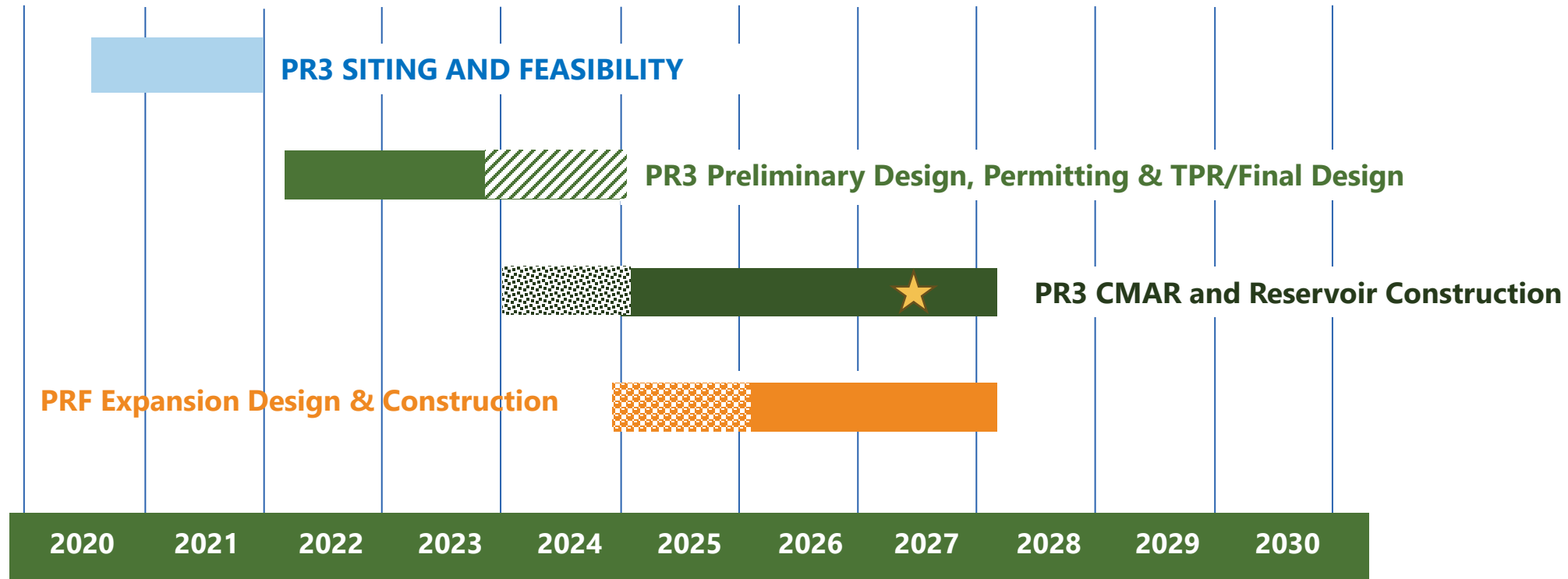
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SWSEP Project Schedule



- CMAR Contract approved December 2023 – Early Contractor Involvement – ROM April 2024
- Bring Reservoir Contractor on January 2025 – Begin Filling by summer 2027 ★
- SWSEP delivering water by January 2028

Decision Schedule



- Feb 7, 2024 – Board Workshop
- April 3, 2024 – Board Meeting
 - Final Project Selection
 - Customer Commitments
 - MWSC Modifications



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