

Clay County Utility Authority Growth, Costs, and the Capital Improvement Program

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A little about me

Jeremy D. Johnston, MBA, PE

- Executive Director, March 2, 2020
- Started with CCUA in April 2012
- 27 years experience: engineering design, construction, project management, operations, and executive management

University of Florida Alumni

- Bachelor of Science, Agricultural and Biological Engineering
- Master of Business Administration





Introduction

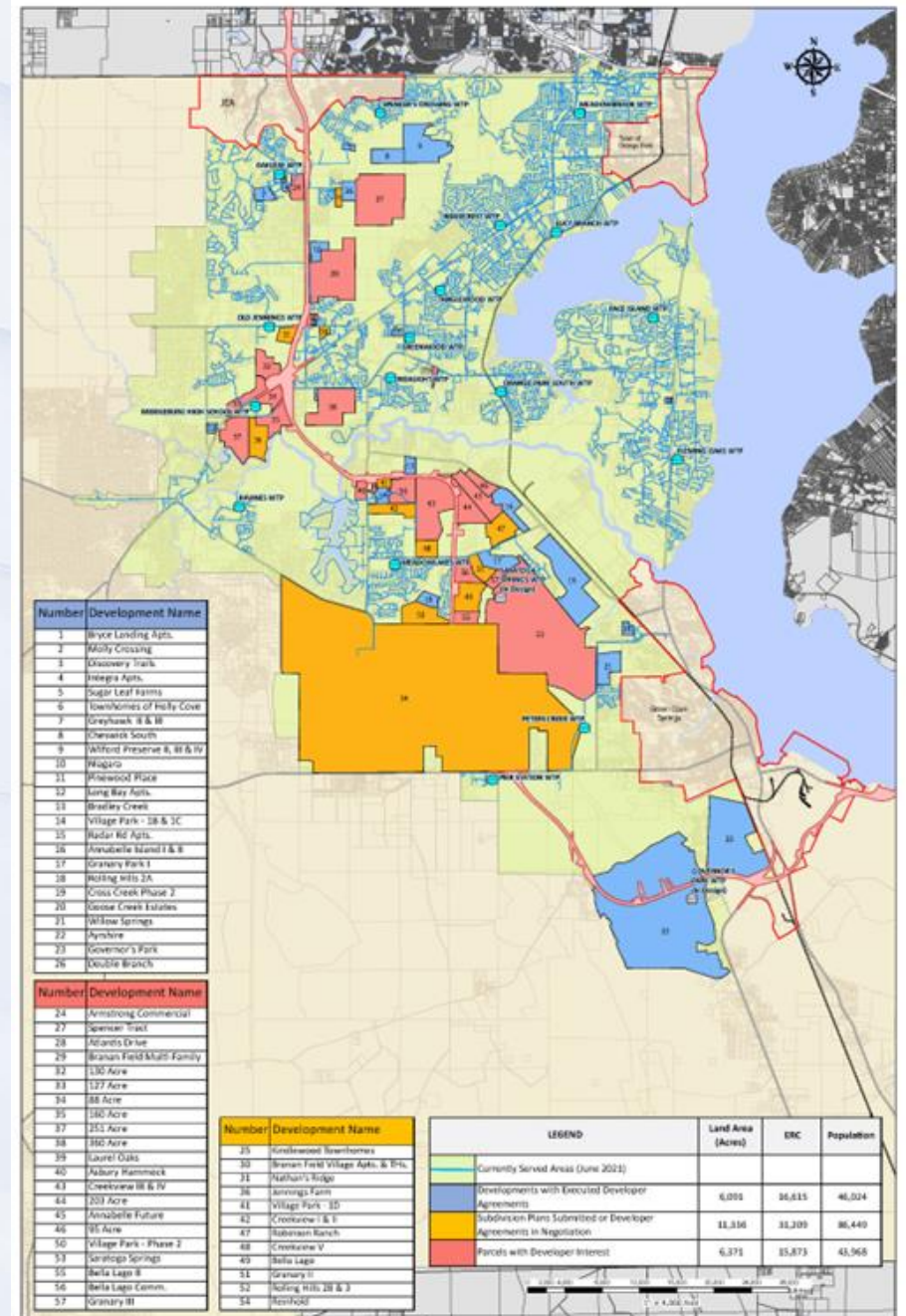
- Over the last 29 years, CCUA has grown to serve an estimated 55,000 accounts, totaling approximately 130,000 people
- By 2045, this number will more than likely double
- CCUA is taking proactive measures to be well-positioned for a sustainable future and ensure continued delivery of safe, reliable water to meet the demands of Clay County's growing population for decades to come



Rapid Growth is underway

- Cross Creek
- Rolling Hills
- Willow Springs
- Wilford Preserve
- Annabelle Island
- Granary Park
- Bradley Creek
- Double Branch
- Robinson Ranch
- Nathan Ridge

Committed water use over 14 MGD



Workforce Development

Professional Development Training Program (PDTP)



Increase staff technical expertise and capabilities

Improve staff recruiting and retention

Prepare staff for promotional opportunities



High School Internship Program

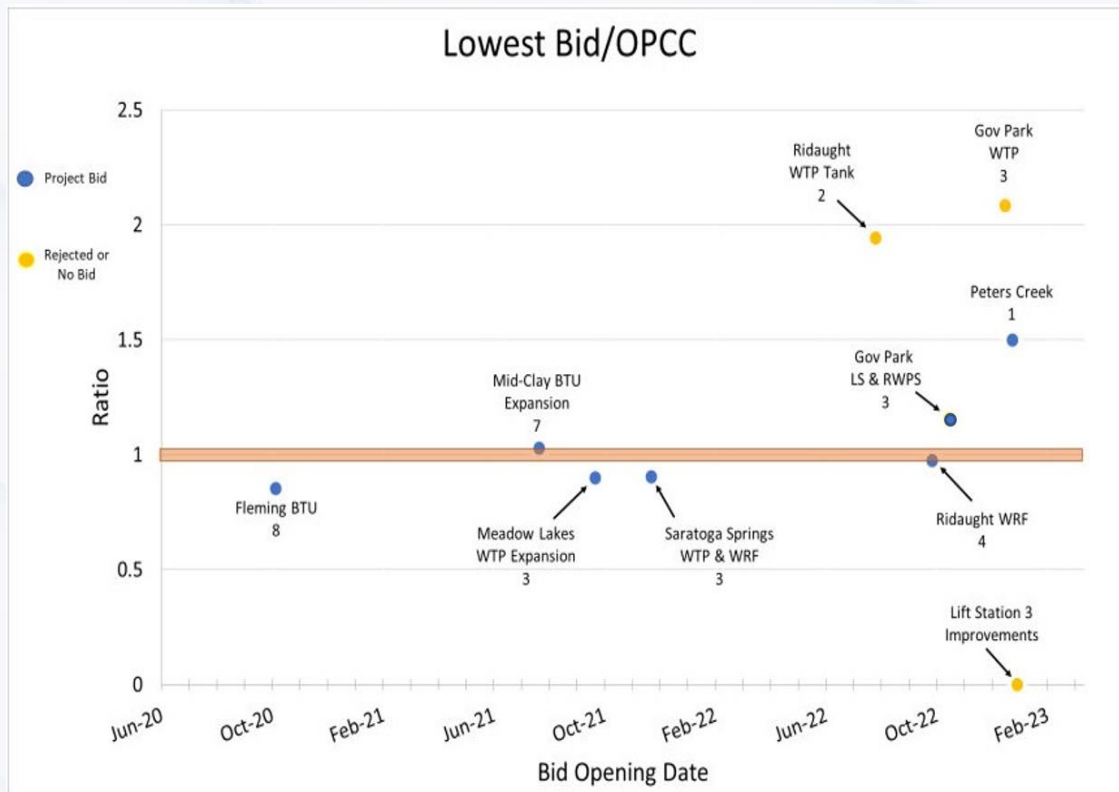


Collaborative effort with the Clay County School District

Entry point to develop technically skilled and licensed workforce

Increasing Costs are Everywhere

CCUA's Performance of Lowest Bids versus the Engineers' Opinion of Probable Construction Costs



Increased Costs within CCUA's Operating Budget for FY 2023/2024

General Liability and Property Insurance: 67.38%

Health Insurance: 9%

Transportation Expenses: 26.28%

Communications Expenses: 42.18%

Electric and Fuel for our Water Treatment Plants: 22.73%

Electric and Fuel for our Wastewater Treatment Plants: 17%

Electric and Fuel for our Wastewater Pump Stations: 21.49%

Software Costs: 46.96%

Subcontractors for the Water Treatment Plant

Maintenance: 21.51%

Subcontractors for Water Testing: 32.41%

Subcontractors for the Wastewater Treatment Plant

Maintenance: 78.79%

Subcontractors for Trash Service: 27.54%

Rates, Fees, and Charges

Board of Supervisors approved a budget with an 8.1% increase in Base and Flow Charges

- The \$1.09 SJRWMD Black Creek Project Cost Recovery Charge ends for existing customers

Water Plant Capacity Fee Increasing from \$360 to \$450 per ERC
25% increase

Wastewater Plant Capacity Fee Increasing from \$3,200 to \$4,100 per ERC
28 % increase

ERC = Equivalent Residential Connection

Customer Bill by Water Demand (Water and Wastewater Only)				
Fiscal Year	5,000 Gal. per Month	10,000 Gal. per Month	15,000 Gal. per Month	20,000 Gal. per Month
2023-2024	\$70.62	\$113.28	\$142.95	\$179.28
2022-2023	\$66.47	\$105.93	\$133.37	\$166.97
Difference (\$):	\$4.15	\$7.35	\$9.58	\$12.31
Difference (%):	6.24%	6.94%	7.18%	7.37%

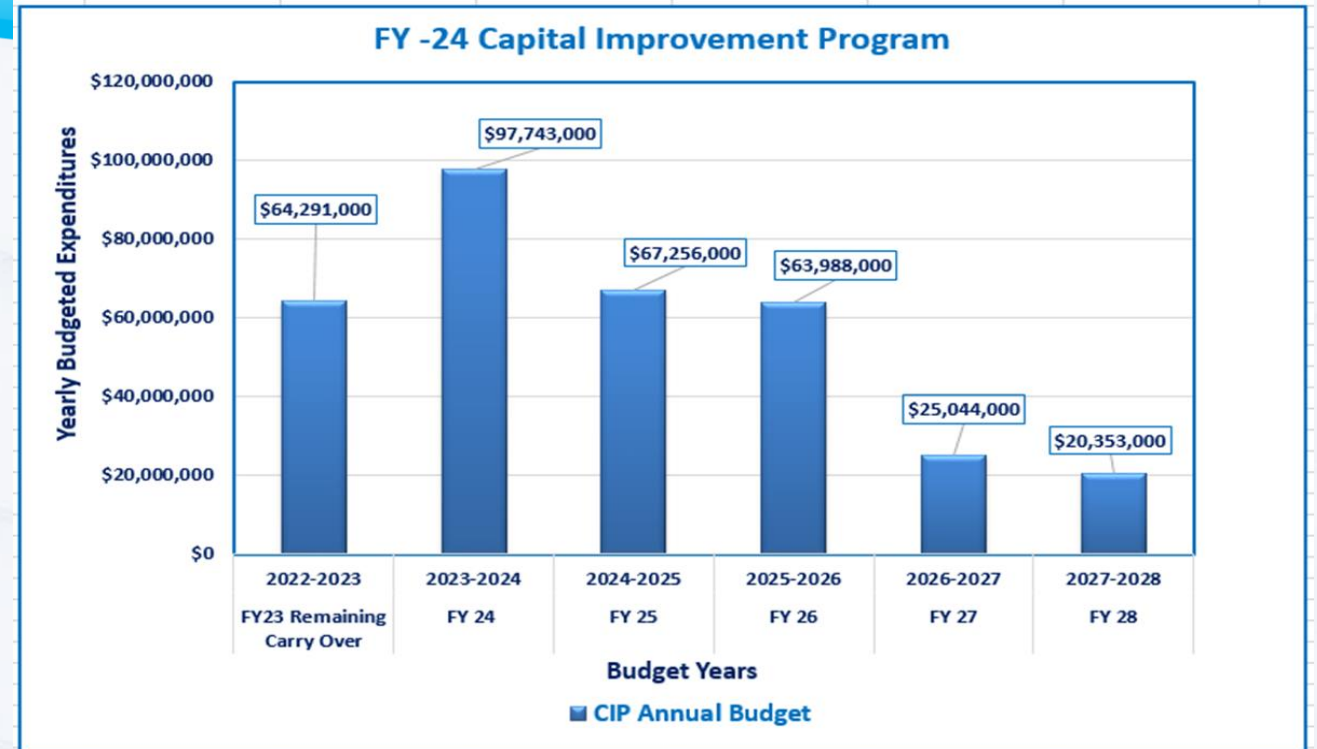
CPI March 2021 to March 2022: 8.5% (USD L-22-0619)
CPI March 2022 to March 2023: 5.0% (USD L-23-0674)
Average: 6.75%

CCUA Revenue Increase 2022-2023: 3.9%
CCUA Revenue Increase 2023-2024: 8.1%
Average: 6.0%



Capital Improvement Program (CIP)

- Peters Creek WRF & Pipelines
 - \$75M
- Saratoga Springs WTP & RWPF
 - \$13.5M
- Governors Park WTP
 - \$10.4M
- Governors Park LS & RWPF
 - \$8.3M
- Mid-Clay Expansion
 - \$8M
- Meadow Lakes WTP Expansion
 - \$3.2M



Current Planned Borrowing for 5-Year CIP: \$124.2M

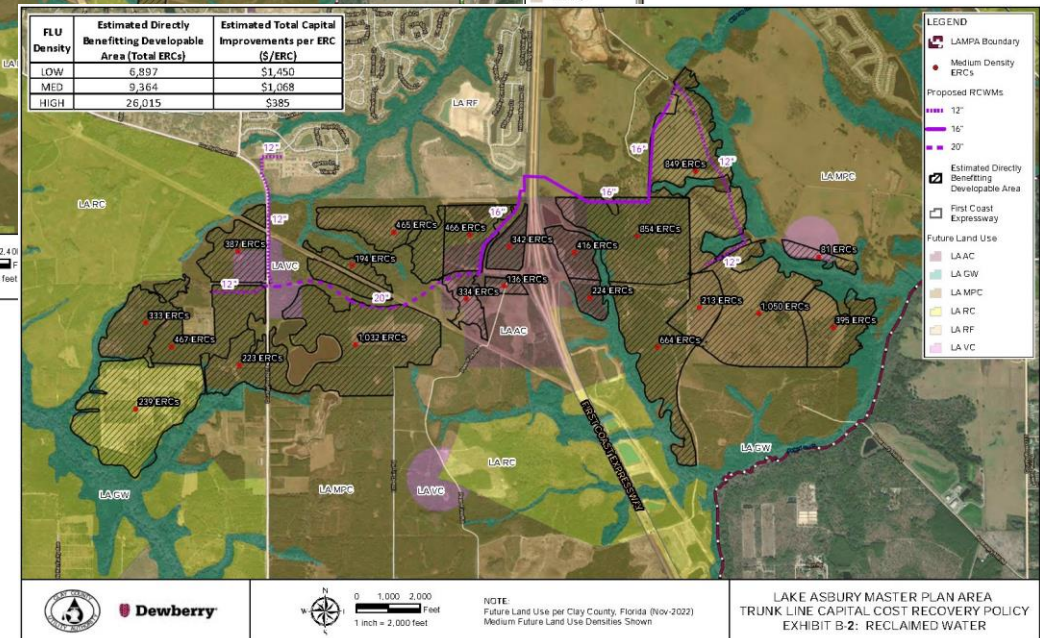
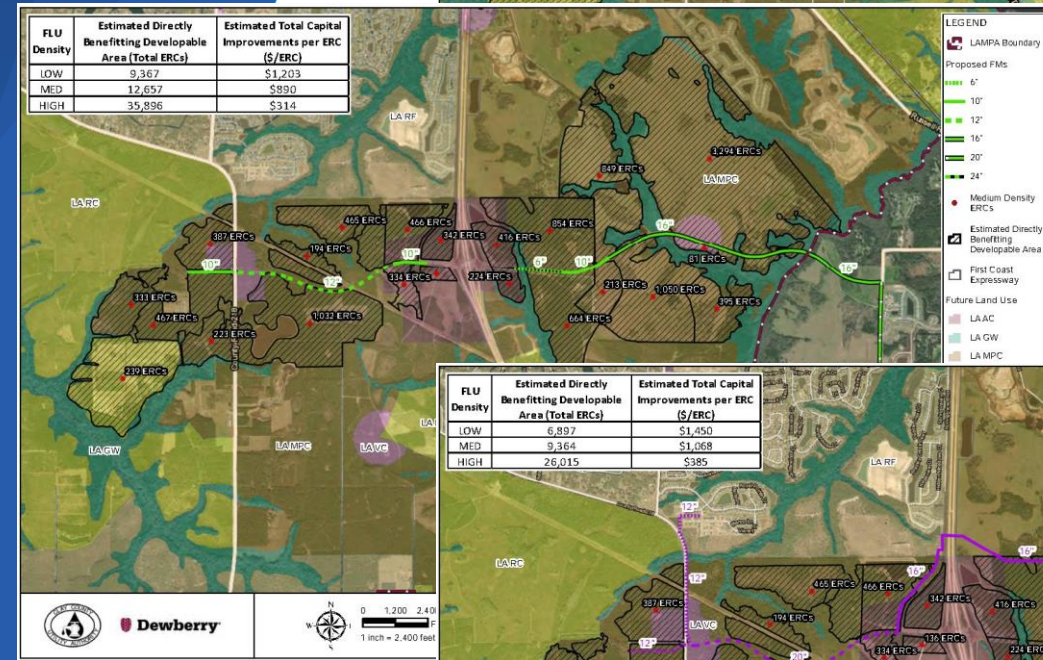
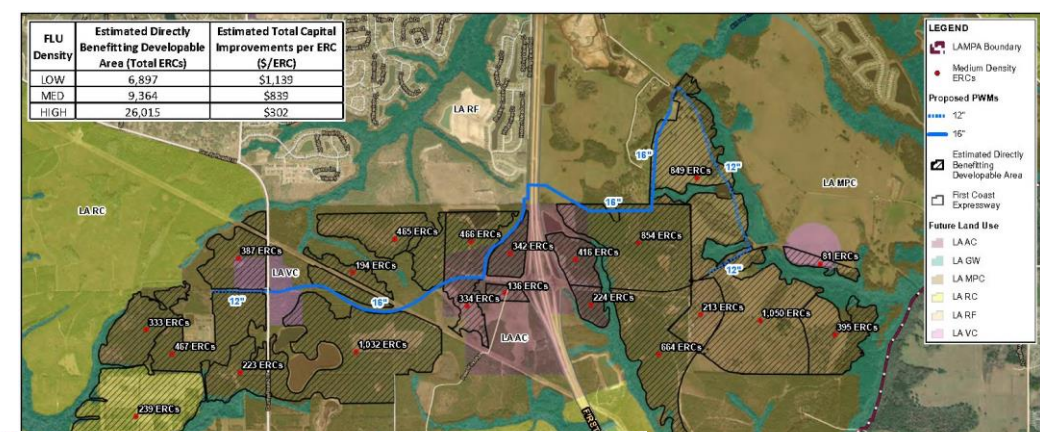
Current Additional Debt Capacity: \$129.6M

4.3% Difference

FY 2023/2024 Capital Reserve Strategy

Lake Asbury Master Planning Area (LAMPAs)

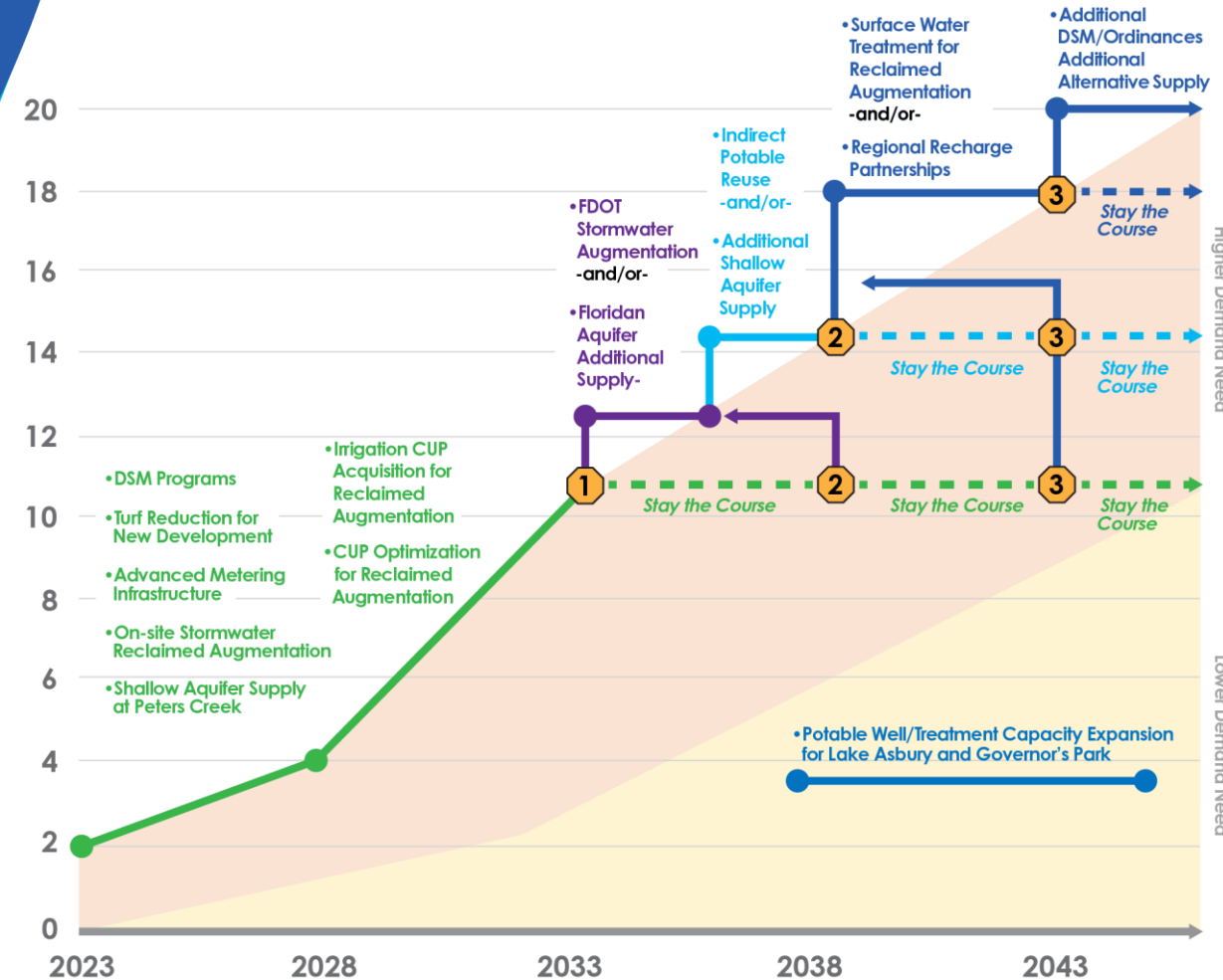
- Cost recovery policy for trunk main infrastructure
- Policy identifies benefiting areas
- CCUA will pioneer trunk mains under five (5) projects
- Currently estimated as a **\$30.9M** investment
- Reviewed and updated each year
 - Water: \$839 / ERC
 - Wastewater: \$1,068 / ERC
 - Reclaimed Water: \$890 / ERC
 - **Total: \$2,798 / ERC**



Long-Term Planning

- Planning for capital infrastructure generally has a 20-to-25-year horizon
- Alternative Water Supply (AWS) require higher capital and operating costs
- Costs for capital infrastructure investments are captured by the capacity fees paid by future customers connecting to the utility system
- Developer Agreements in the Service Availability process can and often do have longer planning and build time frames

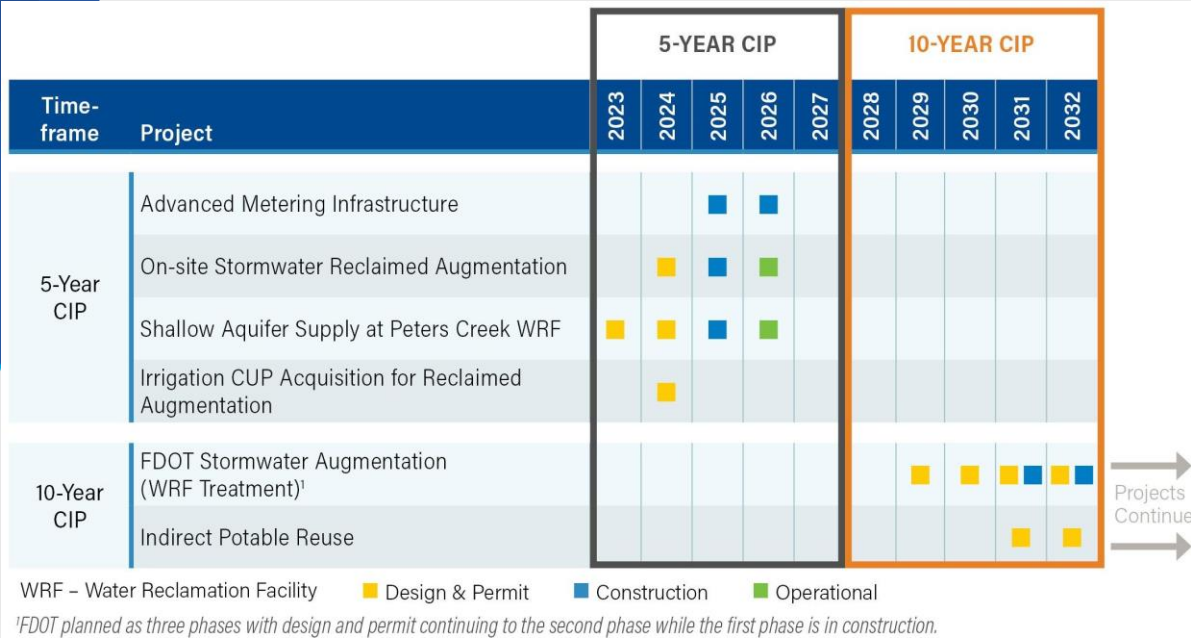
Max Month Demand Need and Supply (MGD)



Triggers 1 2 3 Is water demand growth tracking higher or lower? If lower demands, stay the course. If higher demands, then determine supply project feasibility and implement feasible projects.

CCUA continues work to Sustain the Environment and Community

- Willing partner in regional water resource development projects
- Developing a diversified approach to water resource management



	Portfolio	DSM Programs	Optimized/New Floridan Aquifer	Stormwater/ Storage	Shallow Aquifer	Indirect Potable Reuse	Surface Water Treatment
	Max DSM	●●●					
Fully Serve All Reclaimed	Low Cost	●●●		●	●		
	Treatment Focus			●	●	●	●
	Storage Focus			●●●	●		
	Cap Reclaimed	Low Cost	●	●●●			
	Treatment Focus					●	●●●
	Hybrid	●●	●	●	●	●	

DSM = Demand Side Management

DISCUSSION

