



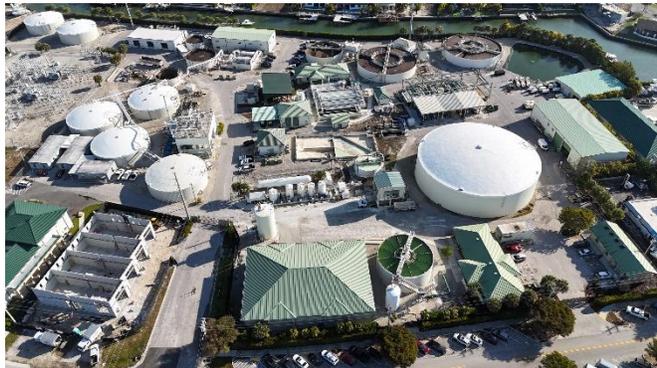
City of Marco Island

Meeting Date: March 2, 2026
To: City Council
From: Jeffrey E. Poteet, General Manager- Water & Sewer
Through: Casey Lucius, Interim City Manager
Re: Water and Sewer (W&S) Departmental Report

Both the City's drinking water and wastewater operations follow Florida Department of Environmental Protection (FDEP) regulations and all other regulatory entity requirements. The W&S Department is operating within the approved budget. Below is a summary of department activities during the past month.

Water & Sewer Open House

The Marco Island Water and Sewer (W&S) Department invites the community to our annual Water & Sewer Open House on March 19, held in recognition of St. Joseph's Day, a day traditionally associated with service, stewardship, and those who quietly build and protect our communities. This year, we welcome residents to bring a family member, mentor, neighbor, or friend to learn more about the systems that support daily life on Marco Island.



Discover the fascinating work your W&S Department does for the community, explore our state-of-the-art facilities, and perhaps even learn something new about the vital services we provide. Join us for an inside look at how clean water is delivered, wastewater is treated, and our team works every day to protect public health and the environment. We look forward to sharing this experience and celebrating the infrastructure and people that help keep our island running.

Location: North Water Treatment Plant, 807 E. Elkcam Circle, Gate "C"

Date: Thursday, March 19, 2026

Time: 9:00 AM – 11:30 AM

- Presentation: Begins at 9:30 AM, providing an overview of the Water and Sewer system.
- Plant Tour: Follows the presentation.
- Important: Guests participating in the plant tour are required to wear closed-toe shoes for safety.

This is a fantastic opportunity to see behind the scenes, learn more about the services you rely on, and connect with the dedicated team working to ensure clean water and efficient wastewater management.

Mark your calendar and join us for an engaging and enlightening experience. We can't wait to see you there!

Odor Control Rehabilitation Project - South Water Treatment Plant

Brackish groundwater withdrawn from the mid-Hawthorn aquifer is treated at the South Water Treatment Plant (SWTP), which has a production capacity of up to 6 million gallons per day (MGD). This brackish ground water contains high concentrations of hydrogen sulfide, exceeding 300 parts per million. Because hydrogen sulfide passes through the reverse osmosis membranes used in the treatment process, it remains present in the finished water. Hydrogen sulfide is responsible for the characteristic “rotten egg” odor and must be removed prior to distribution.

Therefore, to remove the odor the treated water passes through an odor control unit that removes (strips) dissolved gases from the finished water. The odor control system consists of a dual degasifier and a scrubber tower, which were originally installed in 1991.

In 2024, the internal packing support of Degasifier “A” collapsed, resulting in a 24-hour shutdown of the entire water treatment plant. Emergency repairs were completed to restore operation; however, during this period, plant production was reduced to 3.0 MGD while Degasifier “B” carried the treatment load.



To prevent similar service interruptions in the future, additional repairs to Degasifier “A” and a full rehabilitation to Degasifier “B” were determined to be necessary. On June 2, 2025, the City Council approved the rehabilitation of the SWTP Odor Control System in the amount of \$884,432.97.

The project scope included:

- Furnishing and installing new internal platforms and structural supports
- Removing and replacing filter media Installation of new chemical feed lines
- Installing new pH analyzer ports and Oxidation-Reduction Potential (ORP) probes
- Replacing of
 - sight glass windows, gauges, and isolation valves
 - the sound-dampening acoustic wall
 - corroded control panels and electrical disconnects
- Repairing structural damage to the towers
- Recoating the fiberglass towers to protect against UV exposure



The rehabilitation has been completed, and the odor control system is fully operational. The project was delivered within the approved contract budget, representing a successful and necessary infrastructure upgrade to ensure reliable operation of the SWTP odor control system.

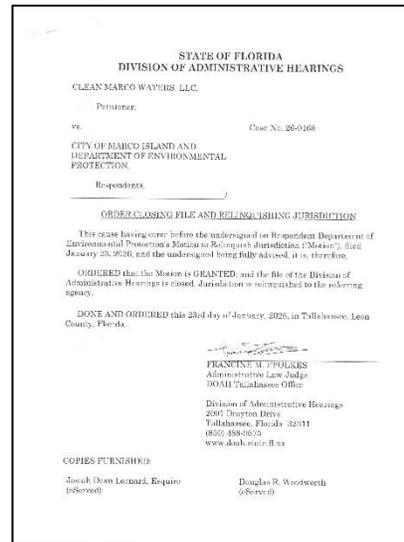
Update: Clean Marco Waters, LLC Petition for Administrative Hearing

On January 22, 2026, Clean Marco Waters, LLC filed a Notice of Voluntary Withdrawal Without Prejudice with the Division of Administrative Hearings (DOAH Case No. 26-0168 / Agency Case No. 25-2046).

In its filing, the Petitioner referenced recent developments, including City Council expressed support for advanced wastewater treatment (AWT) and the City’s engagement of Black & Veatch to conduct cost and feasibility evaluations.

The withdrawal was filed without prejudice, meaning the Petitioner reserves the right to refile should circumstances materially change.

As a result, the administrative challenge is no longer pending, and the City’s wastewater treatment plant permit remains valid and in effect through February 1, 2031.



Update: Black & Veatch Evaluation – Alternative Nutrient Removal Technologies

At the direction of City Council and in response to resident concerns, City staff initiated a professional engineering evaluation to assess the cost and feasibility of upgrading the Reclaimed Water Production Facility (RWPF) to meet Advanced Wastewater Treatment (AWT) standards. As part of this effort, Black & Veatch (B&V) was tasked with evaluating both conventional and emerging nutrient removal technologies—including a process previously presented by NuQuatic (formerly Phosphorus Free Water Solutions).

NuQuatic is a privately held company that initially promoted technologies for phosphorus removal using electrochemical processes and later proposed potential applications in wastewater treatment. Their concept was submitted to the City in response to a 2022 Request for Information (RFI) but was not developed into a formal engineering proposal. Publicly available information now indicates that NuQuatic has shifted its focus to PFAS removal and relocated its operations to Michigan.

As previously reported, B&V encountered significant difficulty establishing direct communication with NuQuatic during the evaluation. Staff were ultimately able to contact Mr. Don Luke, a Florida-based former affiliate of NuQuatic, identified by members of Clean Marco Waters. Mr. Luke confirmed he is now retired and no longer affiliated with the company.

Despite repeated outreach over several months, B&V was unable to reach NuQuatic’s current technical staff to obtain the detailed performance and design data necessary for a meaningful engineering assessment. While B&V reviewed the previously submitted concept-level materials and Mr. Luke’s input, they have clearly concluded that NuQuatic cannot be considered a viable alternative. This determination is based on a lack of verifiable information, absence of long-term proven installations, and no available operation and maintenance (O&M) data. As such, NuQuatic will not be included in the list of technologies recommended for further consideration in the AWT evaluation.

The B&V study remains on schedule, with the final report expected by the end of March. Findings will be presented at the April 13 City Council Workshop. Both City staff and Black & Veatch remain committed to delivering clear, objective, and technically sound information to support Council’s decision-making on the future of wastewater treatment and water quality on Marco Island.

Update - Advanced Metering Infrastructure (AMI)

The AMI project continues to progress on schedule. To date, approximately 1,700 meters have been replaced since the project began. The contractor is currently working along San Marco Road, heading out toward Goodland.

In March, customers that have the AMI meters will have access to their water usage data through a new customer portal. The necessary software integration is underway, and the city will provide helpful information on its website to guide residents on using the portal and understanding its features. The smart meter portal provides access to water usage data only; sewer usage information will not be available through the portal. The portal will allow residents to set up leak alerts that notify them if a leak is detected at their home. The meters themselves are highly accurate and can identify both small and large leaks, including those leaks related to dock connections.

The City encourages residents to stay updated by checking the project map available on the City's website.



Additionally, the Lead and Copper survey is ongoing and covers both the customer and utility sides of the water lines as meters are replaced. The project remains on track to have all unknown water lines on Marco Island surveyed by the end of 2026.

New - Water & Sewer Flash Report

This month, the Water & Sewer (W&S) Department is introducing a new W&S Flash Report that will be included as part of our regular monthly departmental update. This report summarizes financial activity, with this month's report capturing the first four months of the fiscal year (33.3% complete). Revenues total \$12.34 million and are slightly ahead of projections, while operating expenditures total \$9.71 million, representing 26% of the annual operating budget and trending below the proportional benchmark for this stage of the fiscal year.

It is important to note that W&S expenses are not uniform throughout the year. Certain costs, such as treatment chemicals, may be purchased in bulk, with some materials lasting more than a year, while others are replenished multiple times per week. As a result, expenditure patterns may fluctuate from month to month and do not always track evenly with the fiscal year progression.

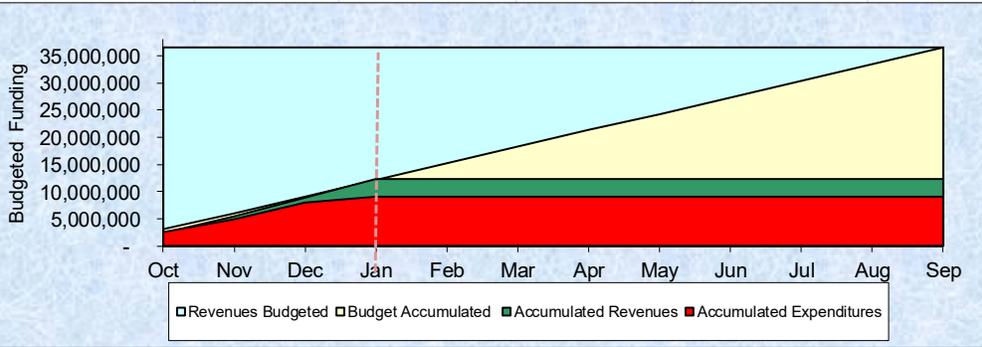
The report also includes a detailed breakout of overtime expenditures by division to enhance transparency. The W&S Department's annual overtime budget is \$333,000, representing approximately 2% of the \$16.7 million operating budget (excluding Administration to avoid skewing the analysis). While this amount may appear significant in isolation, it reflects the operational requirements of a 24-hour, 365-day utility system. A portion of overtime is structurally necessary to support holiday staffing, as the City recognizes ten holidays and treatment facilities must remain continuously staffed by licensed operators and support personnel. Additional overtime results from emergency call-outs and unplanned events, including equipment failures,

water main breaks, wastewater system issues, and other conditions requiring immediate response to protect public health and ensure regulatory compliance.

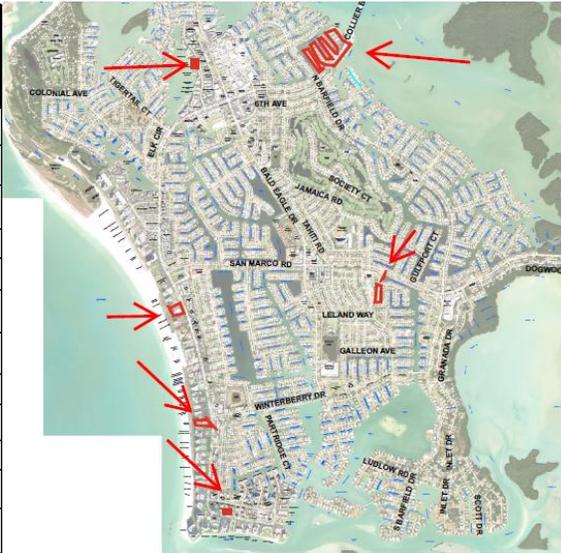
Through January, \$103,058 (31%) of the overtime budget has been expended, which is generally consistent with the fiscal year progression. Overall, expenditures and overtime are trending within expected levels for this point in the fiscal year.

Going forward, the Flash Report will serve as the primary monthly update on Water & Sewer financial performance, and a separate narrative will not be provided unless warranted by significant variances or emerging issues.

 CITY OF MARCO ISLAND WATER & SEWER FLASH REPORT UNAUDITED- WITHOUT ENCUMBRANCES							
Last Month of the Reporting Period:		January-26					
Percentage of Year Completed:		33.3%					
WATER & SEWER FUNDS							
Utility Fund	REVISED BUDGET	BUDGET YTD	Actual YTD	ACTUAL OVER/UNDER YTD BUDGET	Percent Spent YTD		
Revenues - Operations	36,453,300	12,151,100	12,343,571	192,471	34%		
Expenditures							
Operations	36,694,932	12,151,100	9,709,589	(2,441,511)	26%		
WATER & SEWERS EXPENSES							
Departments	REVISED BUDGET	Total Spending Difference	Percent Spending	Actual YTD	Budgeted Overtime	Overtime YTD	Percent Overtime Spent
NWTP	3,980,724	2,824,118	29.1%	1,156,606	60,000	17,263	29%
SWTP	3,075,673	2,138,897	30.5%	936,776	40,000	8,820.07	22%
RWPF	3,610,887	2,885,200	20.1%	725,687	45,000	10,553	23%
C&D	2,952,960	1,929,001	34.7%	1,023,959	70,000	23,788	34%
Maintenance	1,974,549	1,440,909	27.0%	533,640	95,000	38,532	41%
Administration	17,801,973	13,332,256	25.1%	4,469,717	3,000	616	21%
Customer Service	1,098,166	784,962	28.5%	313,204	20,000	3,487	17%
Transfers	2,200,000	1,650,000	25.0%	550,000	NA	NA	NA.
	36,694,932	26,985,343	26.5%	9,709,589	333,000	103,058	31%



Water Service Interruptions with Boil Water Notice (BWN)			
Month	Number of Service Calls Resulting in a BWN	Number of Customers	Large Interruptions 50 Customer or More
Feb-25	2	40	
March-25	0	0	NO PRECAUTIONARY BOIL WATER NOTICES
April-25	1	72	72 units at Stevens Landing
May-25	3	32	Town Center-7 Units
June-25	3	37	
July-25	3	367	Smokehouse Bay-349
Aug-25	3	291	Smokehouse Bay, Sandollar, Westview
Sept-25	6	236	Court Yard Towers-12
Oct-25	7	216	
Nov-25	2	84	667 Thrush Ct.
Dec-25	4	760	Cape Marco 733
Jan-26	7	556	132 Gulfstream,280 S. Collier, 600 S. Collier



Treatment Plant Data						
Starting Date:		12/1/2025		Rain Fall for Time Period		0.50 Inches
Ending Date:		12/31/2025		Average Daily Flow (ADF)		
Aquifer Storage & Recovery				Million Gallons per Day (MGD)		
ASR - Injection Avg. Daily Flow		0.00 MGD		Dec-25		
ASR - Recovery Avg. Daily Flow		0.22 MGD		"U" Undetected - results below detection limit		
Marco Island Drinking Water						
				Max Day	Max Day	Flow
Combined Consumer ADF		10.61 MGD		12/29/2025	12.31	MGD
NWTP Consumer ADF		3.57 MGD		12/25/2025	4.77	MGD
SWTP Consumer ADF		7.04 MGD		12/29/2025	8.33	MGD
Finished Water Testing						
Minimum Chlorine Residual		3.50 mg/L				
		Maximum	Minimum		Maximum	Minimum
Turbidity		0.01	0.01	NTU	Chlorides	147 122 mg/L
Total Dissolved Solids		295.00	29.00	mg/L	Color	26 0 mg/L
P-Alkalinity		6.00	0.00	mg/L	Phosphate	1.26 0.79 mg/L
M-Alkalinity		40.00	30.00	mg/L	Ammonia	1.14 0.07 mg/L
Cal-Hardness		86.00	70.00	mg/L	Aluminum	0.87 0.04 mg/L
Total Hardness		112.00	98.00	mg/L	pH	8.88 8.51 SU
Dec-25 Wastewater - RWPF				Monthly Testing		
Average Flow		Monthly Max Day		Influent	Effluent	
Influent	2.11 MGD	12/31/2025	2.91	BOD	349.6	8.26 mg/L
Reuse	1.61 MGD	12/3/2025	2.18	TSS	187.2	0.6 mg/L
Deep Well	0.459 MGD	12/29/2025	1.33	Total N	NA	9.12 mg/L
				Total P	4.84	4.76 mg/L