



## Technical Management Committee Minutes of the Meeting on January 24, 2024

Solid Waste, Training Room 120

The meeting of the Solid Waste Technical Management Committee (TMC) was held at Solid Waste in Training Room 120 at 1:00 pm on Wednesday, January 24, 2024. Members present were Willie Joseph, Antwann Jackson, Kervin St. Aimie, Jeffrey Kuhl, Randy Knott, Raymond Adams, Kaitlyn Roy, Renee Cooper, Daniel Simpson, JP Agrall, Tracy Meehan, and Robert Mills. Members absent without an alternate: Keith Sabiel, Marco Villagomez, and Tom Nicholls. Pinellas County employees in attendance were Paul Sacco, Stephanie Watson, Cassie Hartman, and Brendan Mackesey. Carlee Ward, TMC Secretary recorded the minutes.

### Call to Order

Willie Joseph, Chairman called the meeting to order at 1:04 pm.

### Citizens to be heard

No citizens to be heard.

### Minutes

Chairman Joseph entertained a motion to approve the minutes of the November 15, 2023 meeting.

**A motion was made by Kervin St. Aimie and seconded by Tracy Meehan to accept the TMC Minutes as written. Motion approved. Motion carried unanimously.**

### Operations Report

Paul Sacco, Pinellas County Solid Waste

- Paul reviewed the Solid Waste Operations Report for November and December 2023.
- Several unscheduled down times were experienced at the Waste-to-Energy facility due to miscellaneous tube leaks both internally and externally on boiler units B101 and B102. TG1 was down due to faulty speed probe. The facility averaged nearly 2,100 tons per day processing for November and 2,200 tons per day in December. This is slightly below normal of 2,600 tons per day due to the boiler outages.
- The FDEP approved the permit modification for the tip-trailer transfer operation. County staff working with Waste Management to finalize the draft amendment for this operation.
- The Industrial Water Treatment Facility is currently running two shifts with approximately 18 hours of run time per day. Pond A level has remained stable at just below -3 feet BGVD through November and December.

- The January 2024 Household Chemical Collection Events are on January 13th and 27th, 2024 at HHW North, 29582 U.S. 19 N., Clearwater. For additional dates and locations, see the HHW Program Calendar.
- The next Pinellas County Business Electronics and Chemical Collection Event is on Valentine's Day, February 14, 2024. Businesses can dispose of unwanted chemicals and electronics at contractor-negotiated rates. To use the event, businesses must qualify as a Very Small Quantity Generator (VSQG) of hazardous waste. For additional 2024 dates and rates, visit the Business Electronics and Chemical Collection webpage. For information about qualifications to use the event, visit the Small Quantity Generator Program webpage.
- The [2024 Recycle Guide](#) is complete! The Recycle Guide is developed in partnership with the Tampa Bay Times Newspaper in Education program. 122,000 copies of the guide were printed. The guide was inserted into the Tampa Bay Times Sunday edition on 1/15 and into the tbt\* newsletter on 1/17, delivered to Pinellas County public and charter schools, and 15,000 overrun copies were delivered to Solid Waste to use in outreach and share with municipal partners. This is the first time the guide is also being provided in Spanish. The English and Spanish copies are available on the County website at [www.pinellas.gov/recycle](http://www.pinellas.gov/recycle). If you would like printed copies for outreach events/to have at municipal facilities or if you have any feedback, please email [recycle@pinellas.gov](mailto:recycle@pinellas.gov).

## Financial Report

Cassie Hartman, Pinellas County Solid Waste

- Cassie reviewed the Financial Status Summary for October 1 through December 31.
- Other income includes sale of PPE, which has dropped slightly.
- Interest was budgeted conservatively for FY24.
- Landfill expenses favorable due to timing of invoices received and posted.
- Capital improvement projects have \$9M+ encumbered, but projects have not been billed/posted yet.
- Capital equipment expenditures high due to several items being encumbered in FY23, but items not received until FY24.

## Pinellas County Updates

Paul Sacco, Pinellas County Solid Waste

- This is Robert Mills' last meeting, as he has accepted the Director position with Pinellas County's Office of Resiliency and Asset Management. A recommendation will be sent to the Board of County Commissioners (BCC) to appoint Stephanie Watson as their TMC representative.
- Catherine Eichner will be promoted to Section Manager over Infrastructure, Outreach Services, and CIP (previously Robert Mills' position). In turn, Stephanie Watson has accepted a promotion to Catherine's vacant position as the Section Manager over Hazardous Waste Management. Emily LeMay will assume the Interim Program Manager position over Recycling and Outreach Programs (ROP) until a permanent position can be recruited.

- Negotiations with Covanta to renew the existing service agreement to operate the Waste-to-Energy facility have ended. The existing agreement expires 12/31/2024. The County is working with Covanta to extend the existing agreement to provide for procurement and a smooth transition.
- Continuing work on recyclable materials processing; with either a countywide contract or a county owned MRF. Solid Waste has met with stakeholders, and their comments have been incorporated into the RFP. Currently scheduling meetings with private processors to solicit their feedback and ensure the RFP meets their needs and also to gauge interest. If there is interest, the RFP will go back out in February/March for a minimum of 90 days, then on to the Board of County Commissioners in August for a decision.
- The County has set the date of Wednesday, April 24<sup>th</sup> for the Employee Recognition Event. The Solid Waste facility will open at 5:00 am (for haulers only) and close at 11:00 am on that day. **Chairman Joseph called for a motion to formally accept the update to the 2024 Holiday Closure Schedule. A motion was made by Raymond Adams and seconded by Tracy Meehan. Motion carried unanimously.** An updated facility closure schedule will be sent out following the meeting.

Stephanie Watson, Pinellas County Solid Waste

Pinellas Partners in Recycling (PPR) Update:

- Election of officers:

Marissa Segundo, Transformations PR was elected as Non-Governmental Advocacy Organization Related to Recycling and the Environment by unanimous vote of the Voting Membership.

Tyler Ward, Recycling Services of Florida was elected as Private Sector Recycling Processing Representative by the Voting Membership.

Daric Hunt, Waste Pro was elected as Private Sector Recycling Collection Representative by unanimous vote of the Voting Membership.

Savannah Bennett was elected as 2024 Chair of PPR by unanimous vote of the Voting Membership.

Daric Hunt, Waste Pro was elected as 2024 Vice Chair of PPR by unanimous vote of the Voting Membership.

- The Contract Work Group is seeking a new chair and members. Jasmine Scott is the Secretary and does most administrative tasks including scheduling meetings, taking notes and coordinating reviews. The group focuses on maintaining the Contract Guidance Document.

## Presentation of Rate Model

Paul Sacco, Pinellas County Solid Waste

- Paul explained that County code requires the TMC to review the rates annually and provide a recommendation to the Board of County Commissioners (BCC) through the County Administrator. In 2022, the BCC adopted a 3-year annual increase of 6.8% effective with Fiscal Year 2023. Paul requested Raftelis hold this third year at 6.75% for sake of the rate model. After their presentation, Raftelis will make a rate recommendation, and a vote will be held as to

whether you agree or disagree with their recommendation. A memo with the final tally will be submitted to the County Administrator for presentation to the BCC for consideration.

Thierry Boveri and TJ Speight, Raftelis

- Thierry and TJ presented the updated 30-year rate model, including anticipated rate adjustments, costs and revenues, capital projects, and inflation. They recommend continuing with at least a 6.8% increase for FY25. **SEE ATTACHMENT 1.**

### **Financial Review and Proposed Tipping Fee Discussion**

- **Chairman Joseph called for a vote to continue with the adopted 3-year annual rate increase of 6.8%. Following a roll call, all ten (10) members in attendance voted in favor of continuing the 6.8% increase for FY2025.**

### **Additional Items for Discussion**

- No additional items were presented for discussion.

**Chairman Joseph called for a motion to adjourn. A motion was made by Raymond Adams and seconded by Kervin St. Aimie. Meeting adjourned at 2:03 pm.**

**The next TMC meeting is scheduled for March 27, 2024 at 2:00 p.m. at the SPC EpiCenter, Room 2-304, 13805 58<sup>th</sup> Street North, Clearwater, FL 33760.**

Respectfully submitted, Carlee Ward, Recording TMC Secretary

# SOLID WASTE FINANCIAL FORECAST AND RATE STUDY UPDATE

PRESENTATION TO THE RATE REVIEW SUBCOMMITTEE OF THE TECHNICAL MANAGEMENT COMMITTEE

JANUARY 22, 2024



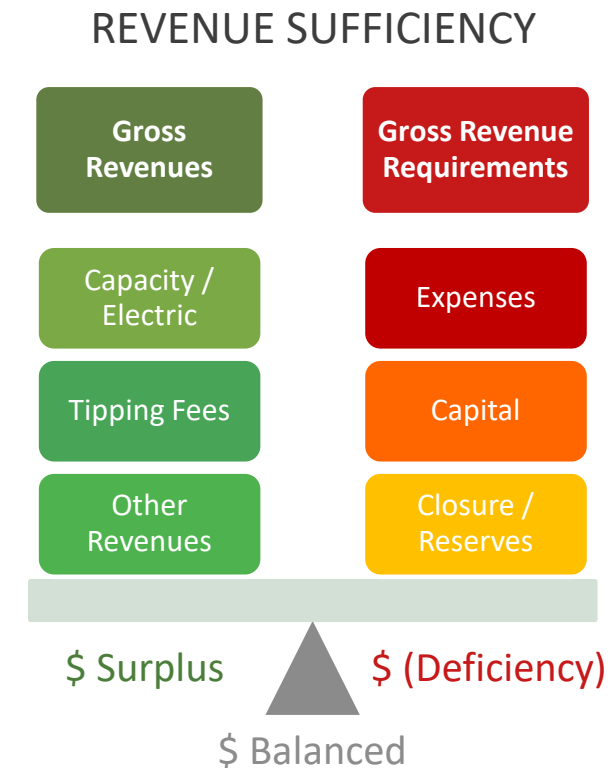
Presentation by:  
 RAFTELIS

# AGENDA

- 1. Scope and Methodology
- 2. Key Changes Since Last Study
- 3. Key Assumptions
- 4. Findings and Recommendations

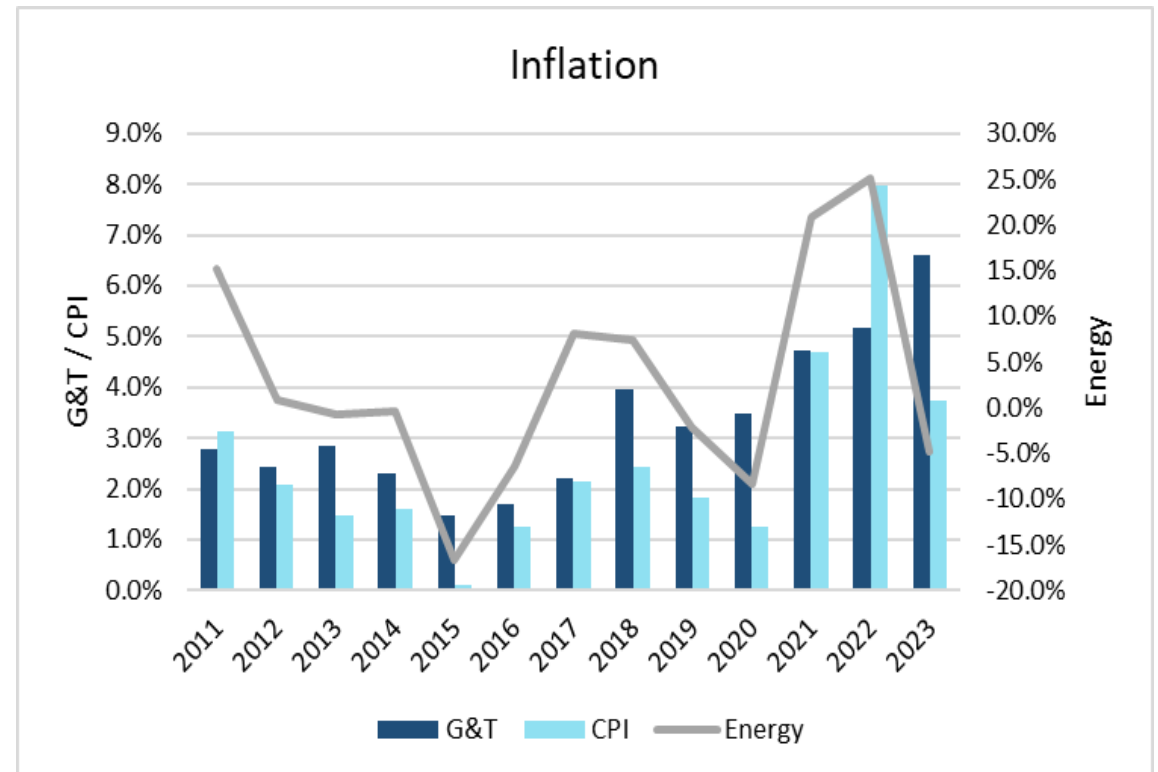
# 1. SCOPE AND METHODOLOGY

- Scope
  - Raftelis tasked to update 30-Year financial forecast model
  - Present findings to Staff and Technical Management Committee (TMC) members
- Methodology
  - Data driven process
  - Examined contractual arrangements
  - Establish financial targets / parameters
  - Trends → assumptions → forecasts
  - Revenue sufficiency and rate adjustments
  - Rate phasing



## 2. KEY CHANGES SINCE PRIOR STUDY

- Inflation Pressuring Contract Costs
- Covanta Contract Expires Dec 2024
  - Accounts for About 30% of Total Costs or \$21m/Annually
  - Potential +60% increase in cost going to \$35m/Annually
    - Increase equates to about 25% of current annual tip fee revenues or \$12.75/ton
  - Add'l \$3m annually for Repairs and Maintenance
  - No reduction in tip fee for processing above base contract amount (>810ktpy)

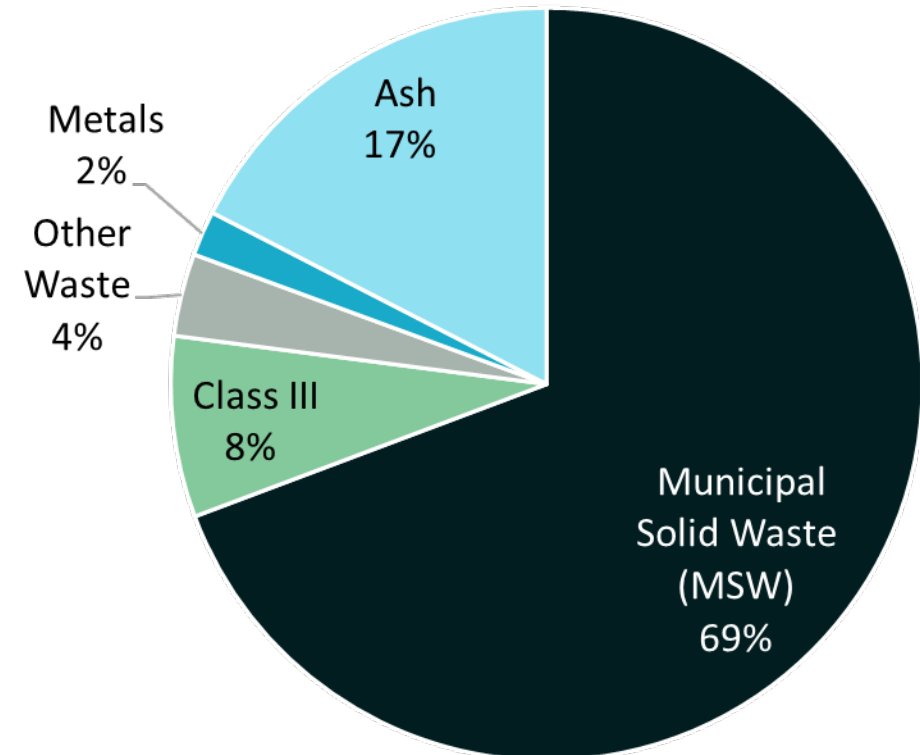




### 3. KEY ASSUMPTIONS - TONNAGE COMPOSITION AND GROWTH

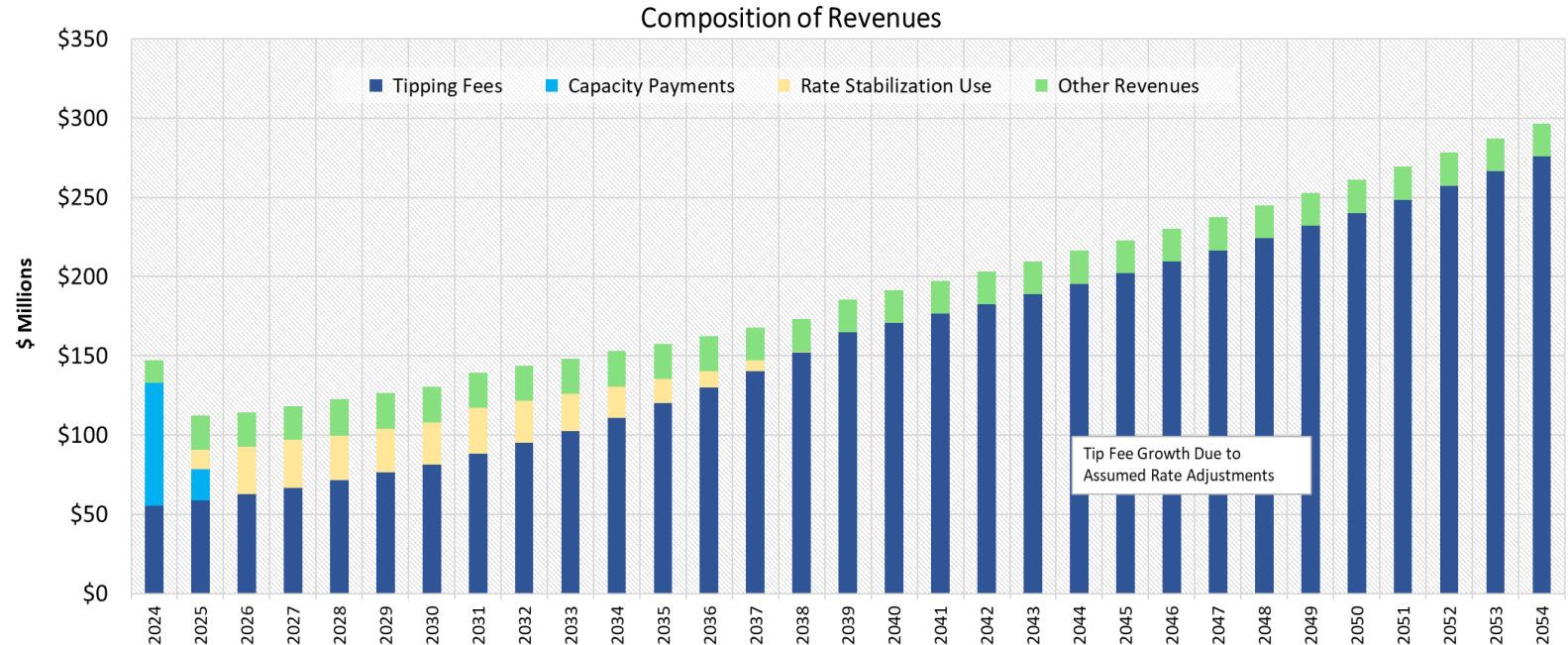
- County processes approximately 1.4 million tons a year
  - Inbound waste = 1.1 million tons per year
    - Municipal solid waste (MSW), class III (yard waste, construction debris), tires, etc.
  - Processed by-products = 0.3 million tons per year
    - Ash, recovered metals, etc.

Processed Waste Composition - FY2024



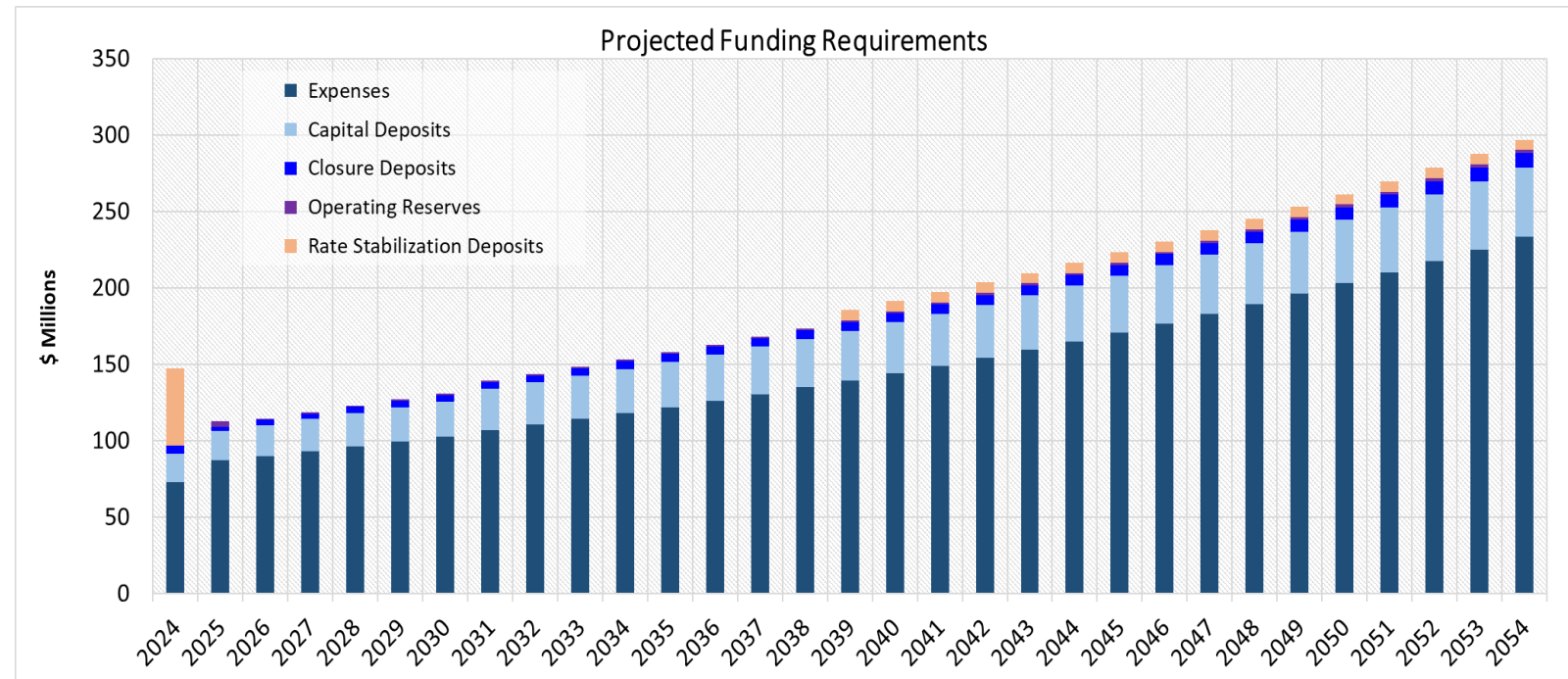
# KEY ASSUMPTIONS - REVENUES

- Tipping fees
    - No Change in FY25 from Prior Study
    - Higher Increases in Outer Years
  - Capacity payments
  - Electricity sales
  - Metal recovery
  - Interest income
- } Other Revenues



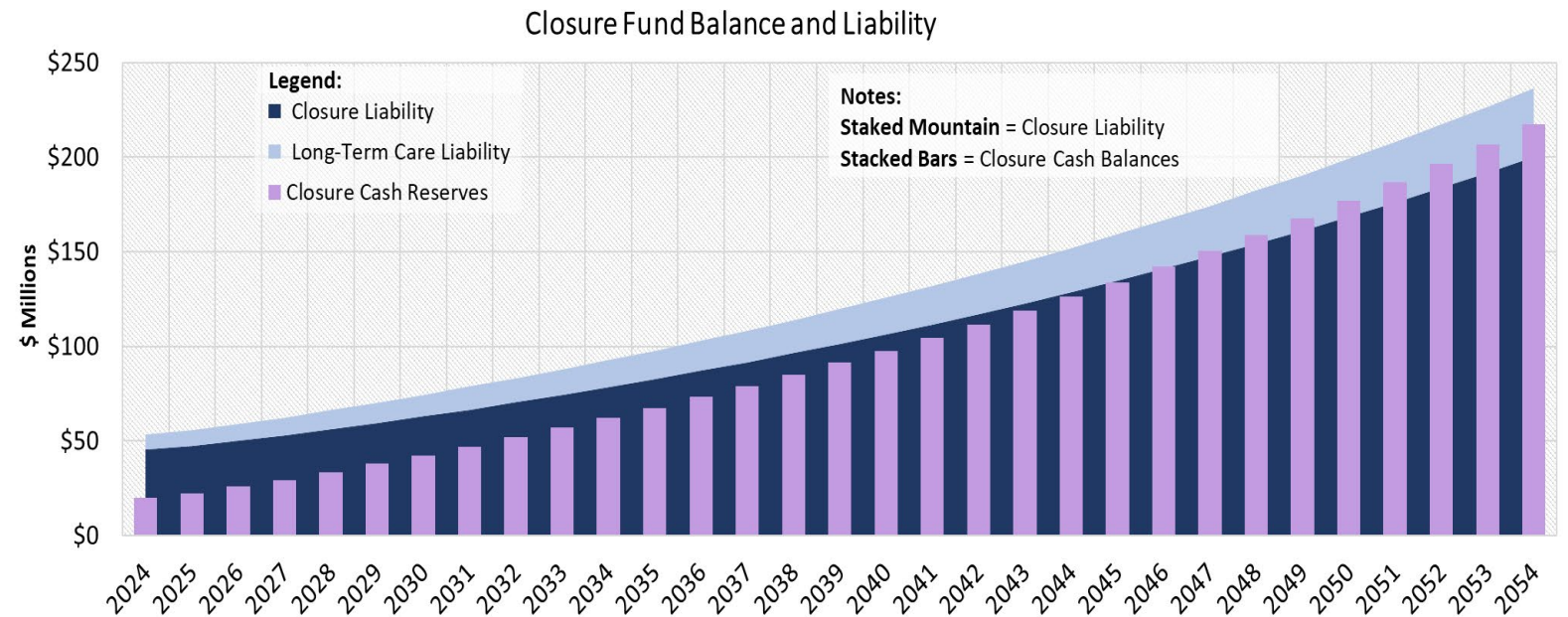
# KEY ASSUMPTIONS – PROJECTED REVENUE REQUIREMENTS

- Assumes continuation of existing operating contracts with exception to Covanta
- Includes incremental operating expenses associated with included master plan projects
  - Contractual services prior to design and construction of various projects
  - Operation of the bulky waste processing facility



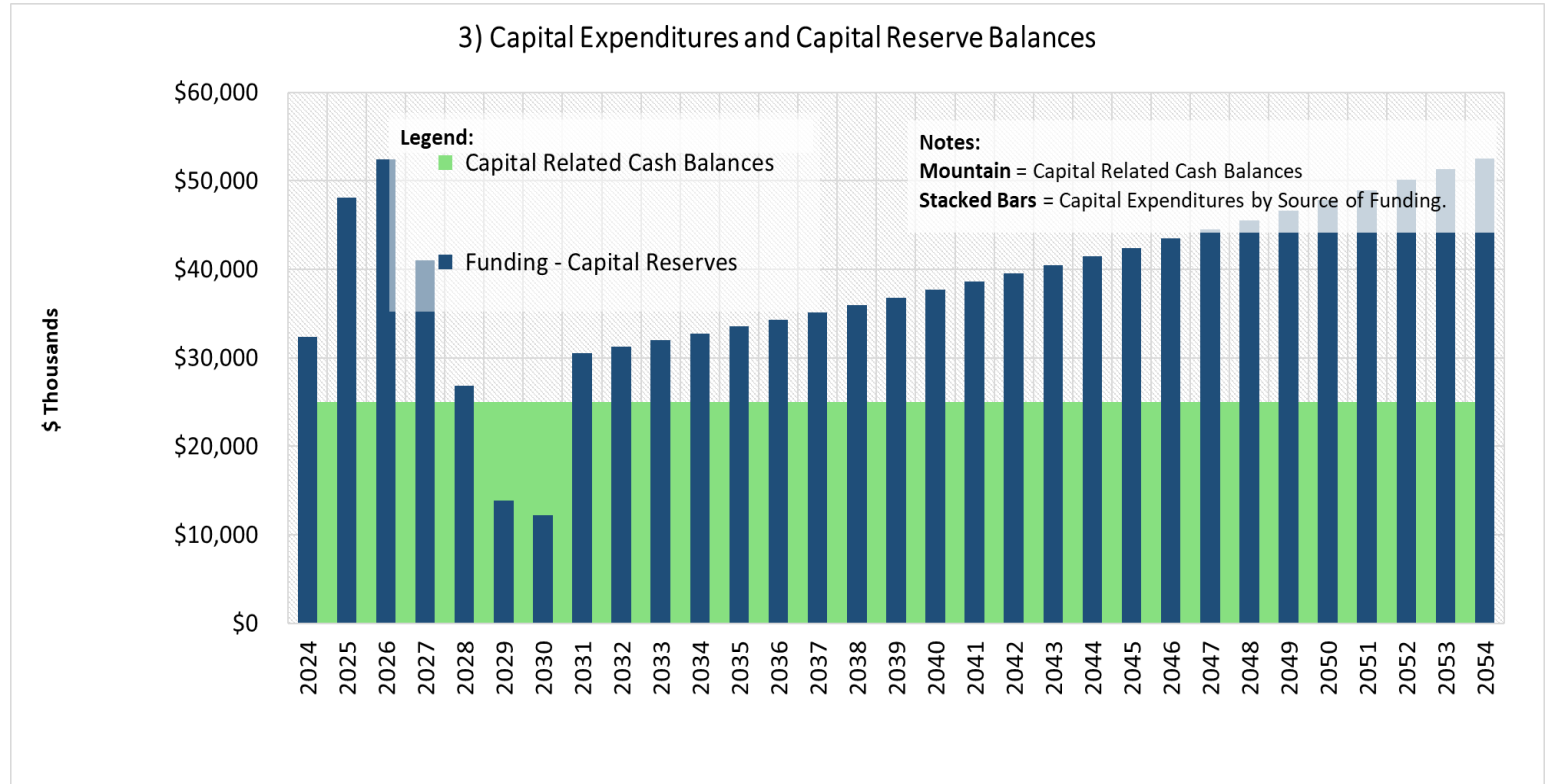
# KEY ASSUMPTIONS - CLOSURE AND POST-CLOSURE

- Plan to Fund Liability Over Time
  - Financial Test for financial assurance compliance
- Does not yet reflect increase elevation
- Target: Fund closure liability only
- Slope closures included in Capital Improvement Plan (CIP)



# KEY ASSUMPTIONS - CAPITAL

- Proposed CIP FY24-31 = \$231.9M
- Top six projects \$131.3m:
  - Bulky Waste Processing Facility= \$63.0m
  - Enhanced Metals Recovery = \$20.0m
  - Structural Steel Replacement = \$15.1m
  - Slurry Wall = \$12.7m
  - Solar Floating Array= \$10.6m
  - Scale Replacement = \$9.9m
- Portions of master plan reflected
- Assumed depreciation as proxy for capital needs after 2031
  - \$22.6 million annually escalated for inflation



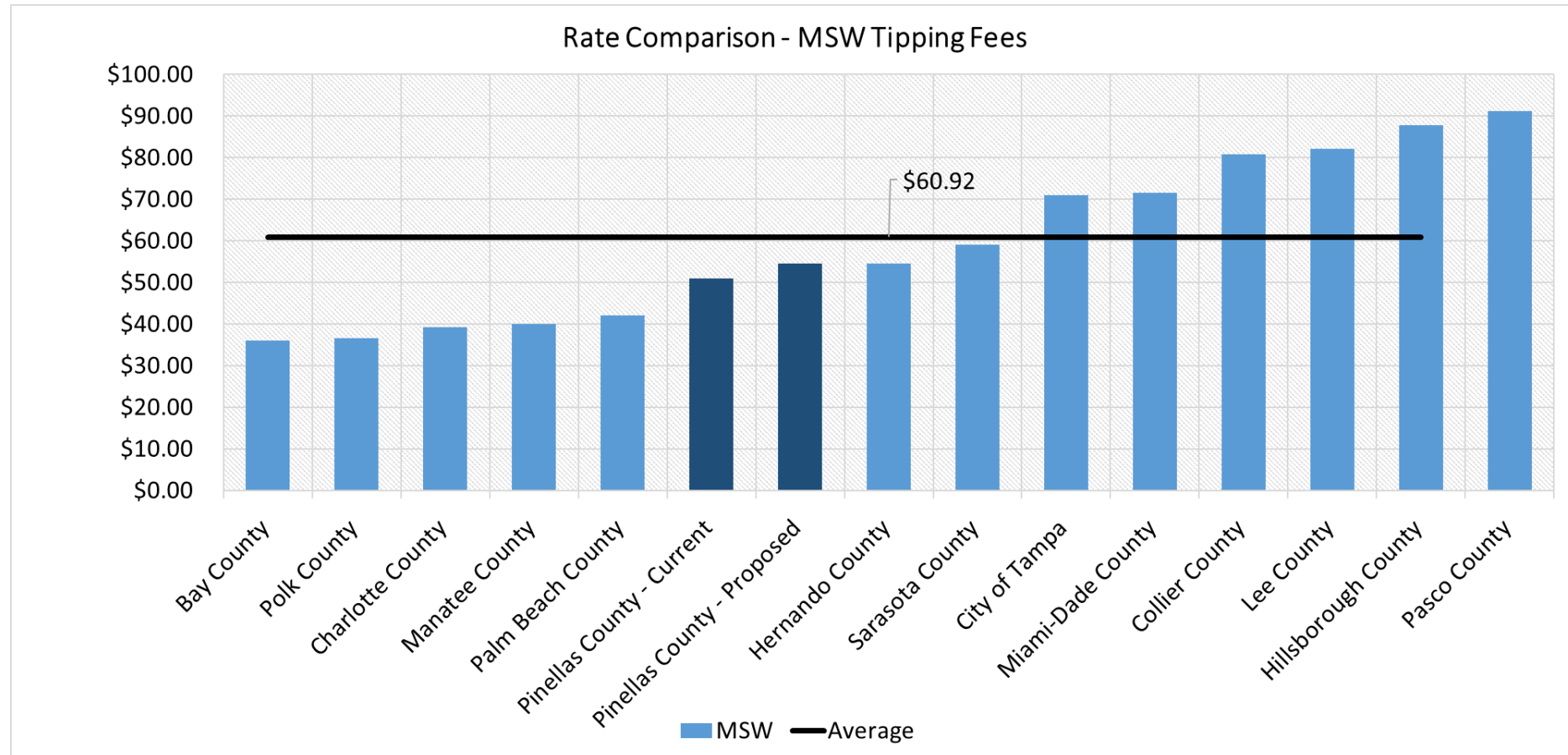


# FINDINGS

- Findings and Recommendations:
  - Continue with Adopted Increases for FY25
  - Assumed Increase of 1% above prior year's forecast identified for FY26/FY27
  - Items on the Horizon
    - WTE Contract
  - The impact of the disposal cost increase to a single-family resident generating 1 ton of waste per year averages \$3.50 annually or \$0.29 a month

<u>Tip Fee Recommendations</u>				
	<u>Adopted</u>		<u>Identified</u>	
	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Rate Adj. (%)		6.75%	7.75%	7.75%
Tip Fee (\$)	\$51.00	\$54.50	\$58.72	\$63.27
Change (\$)		\$3.50	\$4.22	\$4.55

# MSW TIPPING FEE COMPARISON



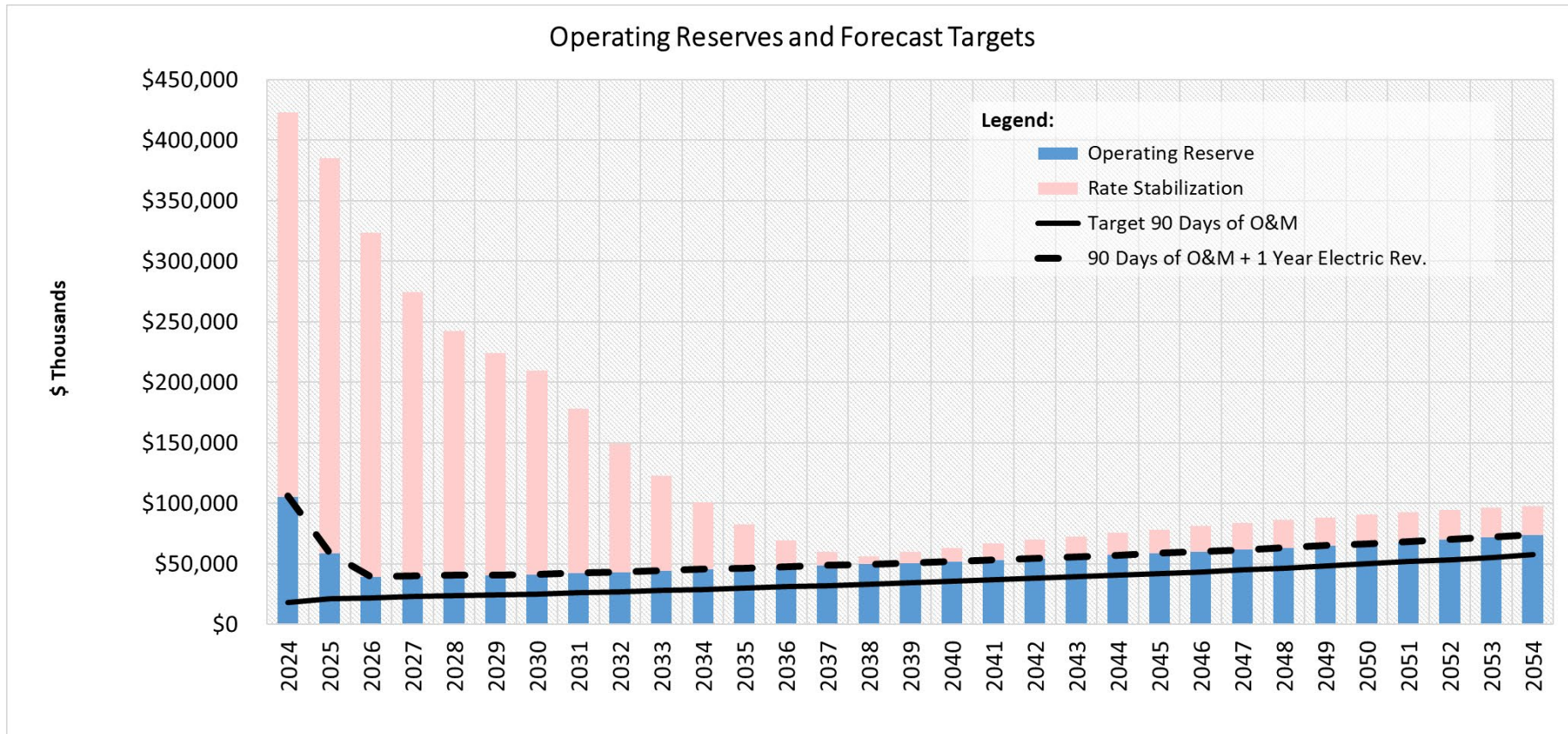


THANK YOU!  
DISCUSSIONS AND QUESTIONS





# OPERATING RESERVES

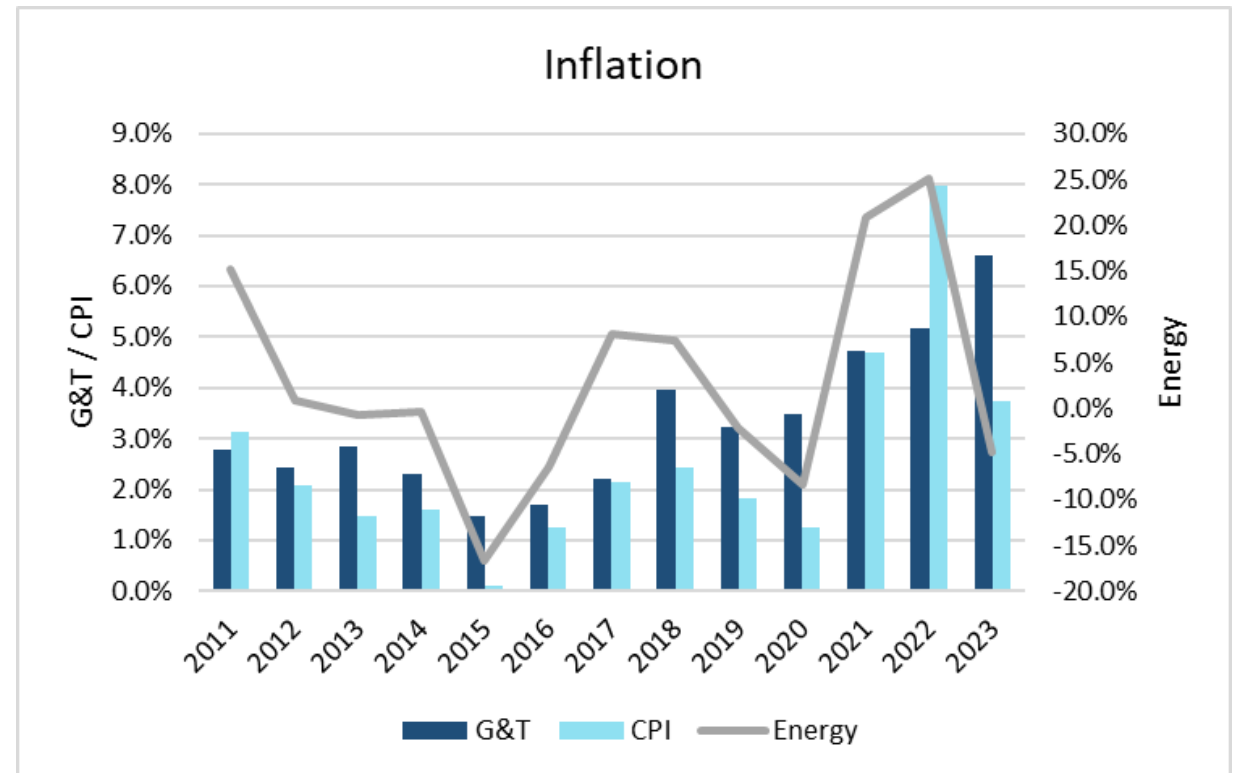


## FY23 SCENARIOS – RATE ADJUSTMENTS

Scenario	2024	2025	2026	2027	2028	2029
Original	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%
TMC Recommended 2023 Rate (1 Year)	5.5%	8.1%	6.8%	6.8%	6.8%	6.8%
TMC Recommended 2023 Rate (5 Years)	5.5%	7.1%	7.0%	7.0%	7.0%	7.0%

## 2. KEY CHANGES SINCE PRIOR STUDY

- Inflation Pressuring Contract Costs
  - Impacts Contract Costs
  - Inflation / Energy Costs moderating
- CIP Additions to FY24 Plan
  - N/A
- Landfill Elevation Increased (FY24) /Not Yet Reflected
- Inbound Tire Tonnage Remains Elevated
  - Observing Rising Tipping Fees per Survey



## 2. KEY CHANGES SINCE PRIOR STUDY

