



Technical Management Committee Minutes of the Meeting on January 22, 2025

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 22, 2025. Members present were Willie Joseph, William Pickrum, Kervin St. Aimie, John Benton, Kaitlyn Roy Nielsen, Robert Turner, Renee Cooper, Daniel Simpson, Marco Villagomez, Nickolas Gerakios, Catherine Eichner, and Tracy Meehan. Members absent without an alternate: Keith Sabiel, Tom Nicholls, and JP Agrall. Pinellas County employees in attendance were Paul Sacco, Cassie Hartman, Emily LeMay, Miles Belknap, and Joe Morrissey. Carlee Ward, TMC Secretary recorded the minutes.

Call to Order

Willie Joseph, Chairman called the meeting to order at 1:09 pm.

Citizens to be heard

No citizens to be heard.

Minutes

Chairman Joseph entertained a motion to approve the minutes of the November 20, 2024 meeting.

A motion was made by Kervin St. Aimie and seconded by Renee Cooper 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 2024.
- The Waste to Energy completed its fall maintenance outage on December 18th with B101 and B102 occurring in December. B101 was originally scheduled for October but was postponed to December due to the hurricanes.
- Work on replacement of the Baghouse structural steel is progressing ahead of schedule and staff has been working with the facility operator to develop an Extended Maintenance Plan. The intent of this plan is to project end of life of major WTE components.
- December 31st ended the power purchase agreement with Duke Energy. As of midnight January 1st, electrical power will be sold through a broker.
- High quantities of waste coupled with the fall outages have resulted in a significant increase in diverted material to the landfill. With all three boilers back online, it is expected that fewer diversions to the landfill will be necessary until the start of the Spring maintenance outage which is scheduled to begin March 1st.

- It is expected that the South Landfill area (Cell 5) will reach permitted elevation of 150' within the next 10 years. Staff has engaged one of our landfill consultants to assist with developing a fill plan to expand the South Landfill north into Cells 2 and 3. The plan will cover roads, drainage, ditches, pump stations, and other infrastructure impacted by the expansion.
- Capacity at the Industrial Waster Treatment Facility (IWTF) was reduced in November due to pipe tie-ins related to the new clarifier construction and a pump VFD failure.
- Capacity at the IWTF was reduced in December due to a WTE outage related to a tube leak.
- In November, 254 customers used the Swap Shop, and as a result, 5,019 pounds of Household Hazardous Waste (HHW) were diverted from disposal and put to reuse. The HHW Center collected 75,376 pounds of chemicals and 28,079 pounds of chemicals were collected at one HHW North Household Chemical Collection (HCC) Events in November. There were two HCC Events on the Barrier Islands to provide residents that were impacted by Hurricanes Helene and Milton with a convenient option for chemical disposal; collecting 37,308 pounds of chemicals.
- In December, 237 customers used the Swap Shop, and as a result, 5,238 pounds of HHW were diverted from disposal and put to reuse. The HHW Center collected 52,158 pounds of chemicals and 12,161 pounds of chemicals were collected at one HHW North Household Chemical Collection Events in December.
- In November, the Business Waste Assessment Section (BWAS) conducted 40 business visits, 31% of the monthly goals. In November, 36% of the businesses reinspected after 5 years had a 100% return-to-compliance rate because of the education received from BWAS.
- In December, BWAS conducted 51 business visits, 40% of the monthly goals. In December, 48% of the businesses reinspected after 5 years had a 100% return-to-compliance rate because of the education received from BWAS.
- All tours of the Solid Waste Disposal Complex were canceled for November and December 2024 because of ongoing efforts from the hurricanes. The only exception is a tour in December for the Audubon Society of St. Petersburg's annual Christmas Bird Count, which we have supported for many years.
- The 2025 Recycle Guide will be inserted into the Tampa Bay Times Sunday edition over MLK weekend. We'll be reaching out to municipal partners to coordinate times to pick up guides for distribution at your libraries and other community areas.
- The Low-Waste Event Guide has been published on the website: <https://pinellas.gov/tampa-bay-area-low-waste-event-guide/>.

Financial Report

Cassie Hartman, Pinellas County Solid Waste

- Cassie reviewed the Financial Status Summary for October 1 through December 31.
- Duke Electric Sales Revenue and Capacity Revenue are always one month in arrears.
- Budget for electrical capacity is reduced compared to previous years due to Duke contract expiration in December.

- Landfill expenses favorable due to timing of invoices received and posted.
- Plant management expenses are two months behind on billing.
- Capital improvement projects have \$5M+ encumbered, but projects have not been billed/posted yet.

Pinellas County Updates

Emily LeMay, Pinellas County Solid Waste

- Pinellas Partners in Recycling (PPR) Update:
 - The next meeting is scheduled for January 29, 2025 at 9:30 am via Zoom.

Paul Sacco, Pinellas County Solid Waste

- The RFQ for a new WTE operator is out for bid with responses due by tomorrow. This is a two-phase procurement process; the RFQ will be based on qualifications, and those qualified will be invited for the RFP process. The goal is to have a new contract awarded by September/October 2025.
- With the expiration of the Power Purchase Agreement with Duke Energy, Solid Waste began brokering power as of January 1st and have been able to sell all the power so far. The lowest rate they've received has been \$35-40/MWh. During the winter cold snap, they received \$85-90/MWh and up to \$350-550/MWh over the last 2 days. An average of \$30-35/MWh is figured into this year's rate model.
- The state has removed the debris collected on site from hurricane Helene and taken it elsewhere for disposal. Pinellas County requested the state's assistance with cleaning the waterways post-hurricanes Helene and Milton. That debris is being brought to the 28th Street site for sorting but will be removed and disposed of elsewhere.
- Evaluating an engineering company ReCap, who is turning yard waste into biochar. Leon County has partnered with ReCap to test a pilot program. Pinellas County Solid Waste staff is planning a site visit to Leon County in April/May.

Presentation of Rate Model

Thierry Boveri and TJ Speight, Raftelis

- Thierry and TJ presented the updated rate model, including anticipated rate adjustments, costs and revenues, capital projects, and inflation. They recommend an 8.0% tipping fee increase over the next three (3) years. **SEE ATTACHMENT 1.**

Financial Review and Proposed Tipping Fee Discussion

- **A motion was made by John Benton and seconded by Marco Villagomez to postpone voting on the rate recommendation until the next meeting.** A roll call vote of TMC members was conducted with the following results:

Group 'A' Cities – No

Group 'B' Cities – no representative in attendance

Group 'C' Cities – no representative in attendance

City of Clearwater – Yes

City of Dunedin - No

City of Largo – Yes

City of Pinellas Park – no representative in attendance

City of St. Pete Beach – No

City of St. Petersburg (1) – Yes

City of St. Petersburg (2) – Yes

City of Tarpon Springs – Yes

Pinellas County – No

Pinellas County, Private Sector – No

The motion failed with a tie vote of 5:5.

- **Chairman Joseph called for a motion to support the recommendation of an 8.0% annual increase over the next three (3) years. A motion was made by Daniel Simpson and seconded by Catherine Eichner.** A roll call vote of TMC members was conducted with the following results:

Group 'A' Cities – Yes

Group 'B' Cities – no representative in attendance

Group 'C' Cities – no representative in attendance

City of Clearwater – Yes

City of Dunedin – Yes

City of Largo – No

City of Pinellas Park – no representative in attendance

City of St. Pete Beach – Yes

City of St. Petersburg (1) – No

City of St. Petersburg (2) – No

City of Tarpon Springs – No

Pinellas County – Yes

Pinellas County, Private Sector – Yes

The motion passed with a vote of 6:4 in favor of the 8.0% annual increase for three (3) years.

- Paul Sacco will draft the written recommendation for Chairman Joseph to submit to the County Administrator for presentation to the Board of County Commissioners.

Additional Items for Discussion

- No additional items were presented for discussion.

Chairman Joseph called for a motion to adjourn. A motion was made by Robert Turner and seconded by Kervin St. Aimie. Meeting adjourned at 3:23 pm.

The next TMC meeting is scheduled for March 26, 2025 at 2:00 p.m. at the SPC EpiCenter, Room 2-304, 13805 58th Street North, Clearwater 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, 2025



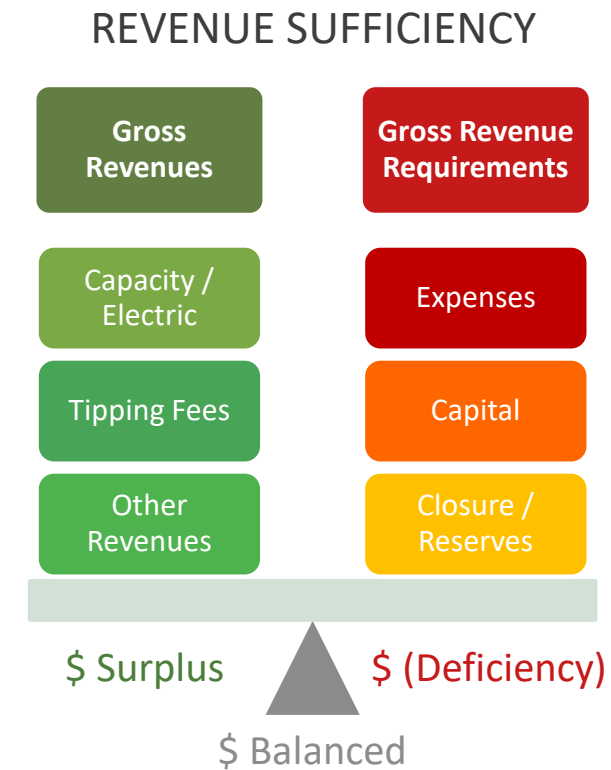
Presentation by:
RAFTELIS

AGENDA

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

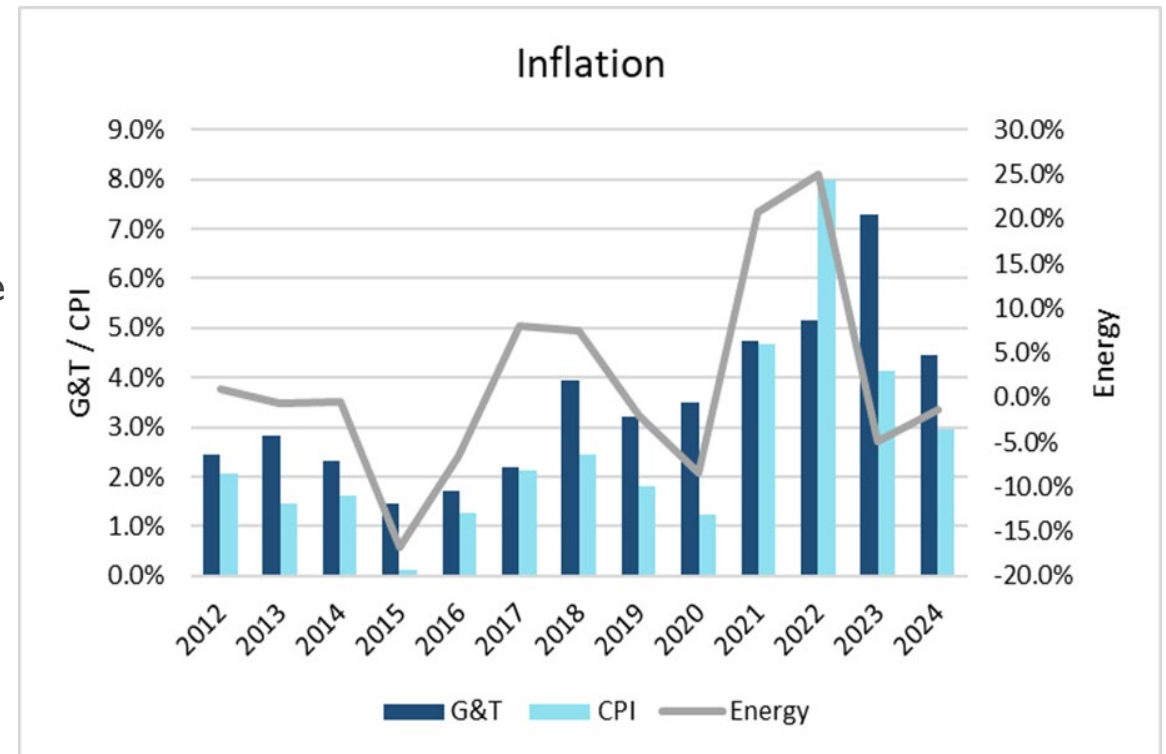
1. SCOPE AND METHODOLOGY

- 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

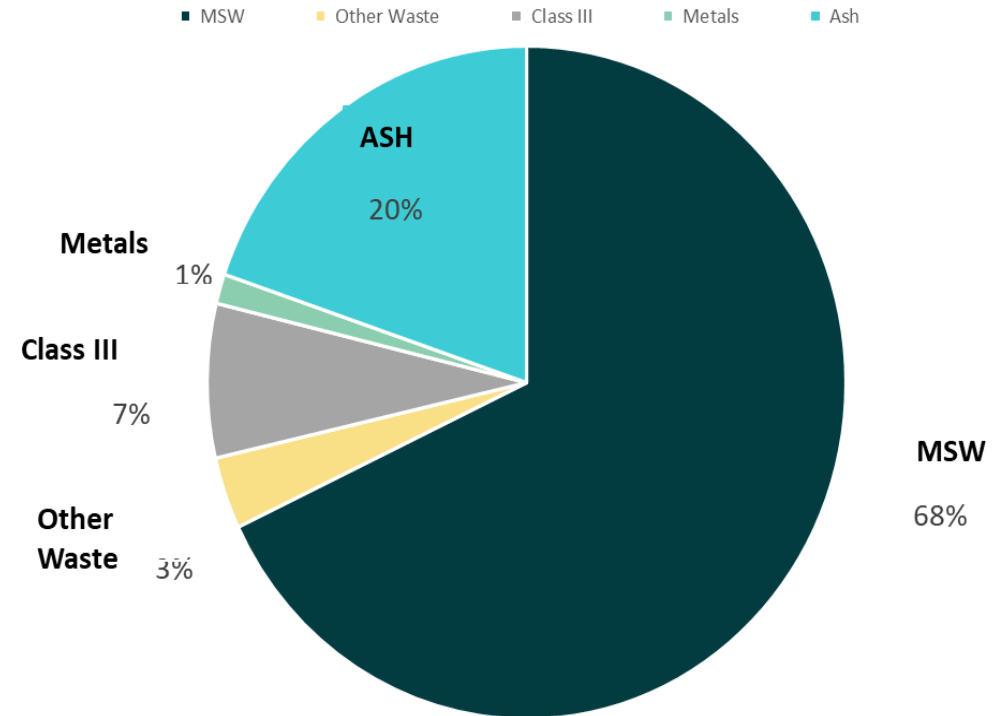
- Inflation Continues to Pressure Contract Costs
- Covanta Contract Extended with RFQ / RFP
 - Historically accounted for About 30% of Total Costs or \$21m/Annually
 - Extension resulted in \$12/ton increase applied to all tonnage or \$35m/yr (+67%)
 - County staff expects better contract terms through bid process
 - Forecast assuming ~\$7/ton increase or \$31m/yr (+47%)
- Capital Plan Costs Increase from ~\$420m to ~\$500m through FY36



3. KEY ASSUMPTIONS - TONNAGE COMPOSITION AND GROWTH

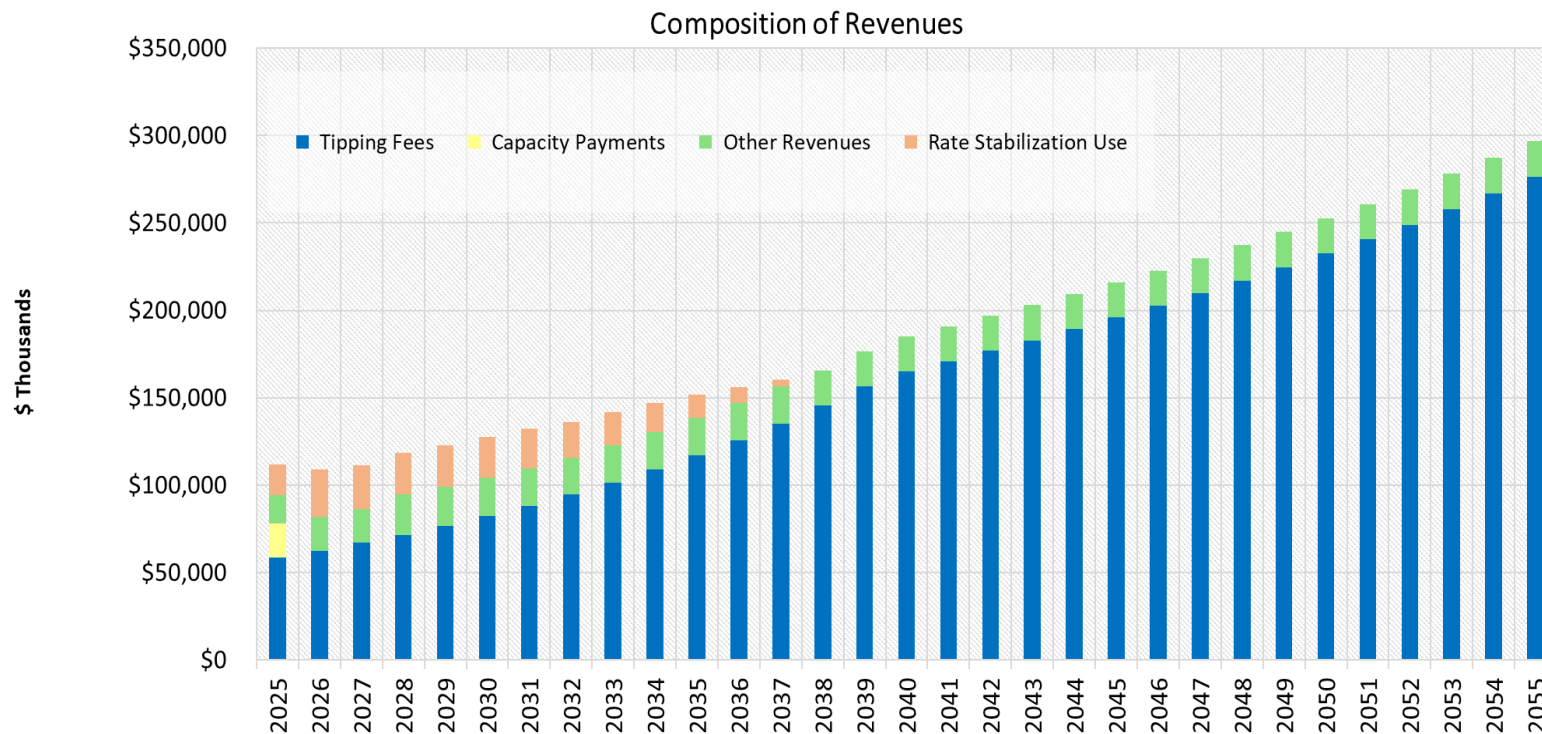
- County processes approximately 1.5 million tons a year
 - Inbound waste = 1.1 million tons per year
 - Municipal solid waste (MSW), class III (yard waste, construction debris), tires, etc.
 - Processed by-products = 0.3 million tons per year
 - Ash, recovered metals, etc.

Processed Waste Composition - FY2025



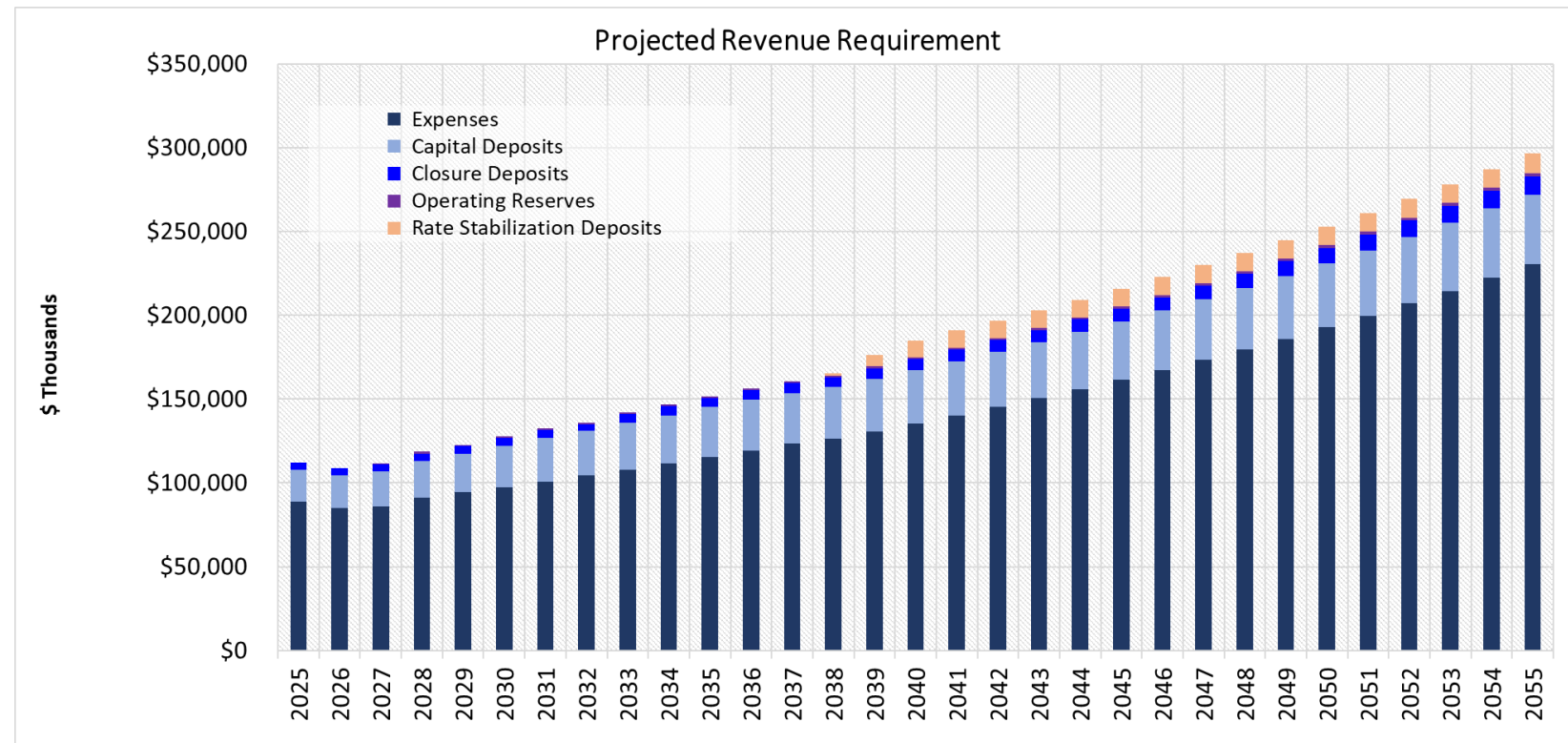
KEY ASSUMPTIONS - REVENUES

- Tipping fees
 - Increases Consistent with Prior Years Forecasts
 - Capacity payments
 - Electricity sales
 - Metal recovery
 - Interest income
- } Other Revenues



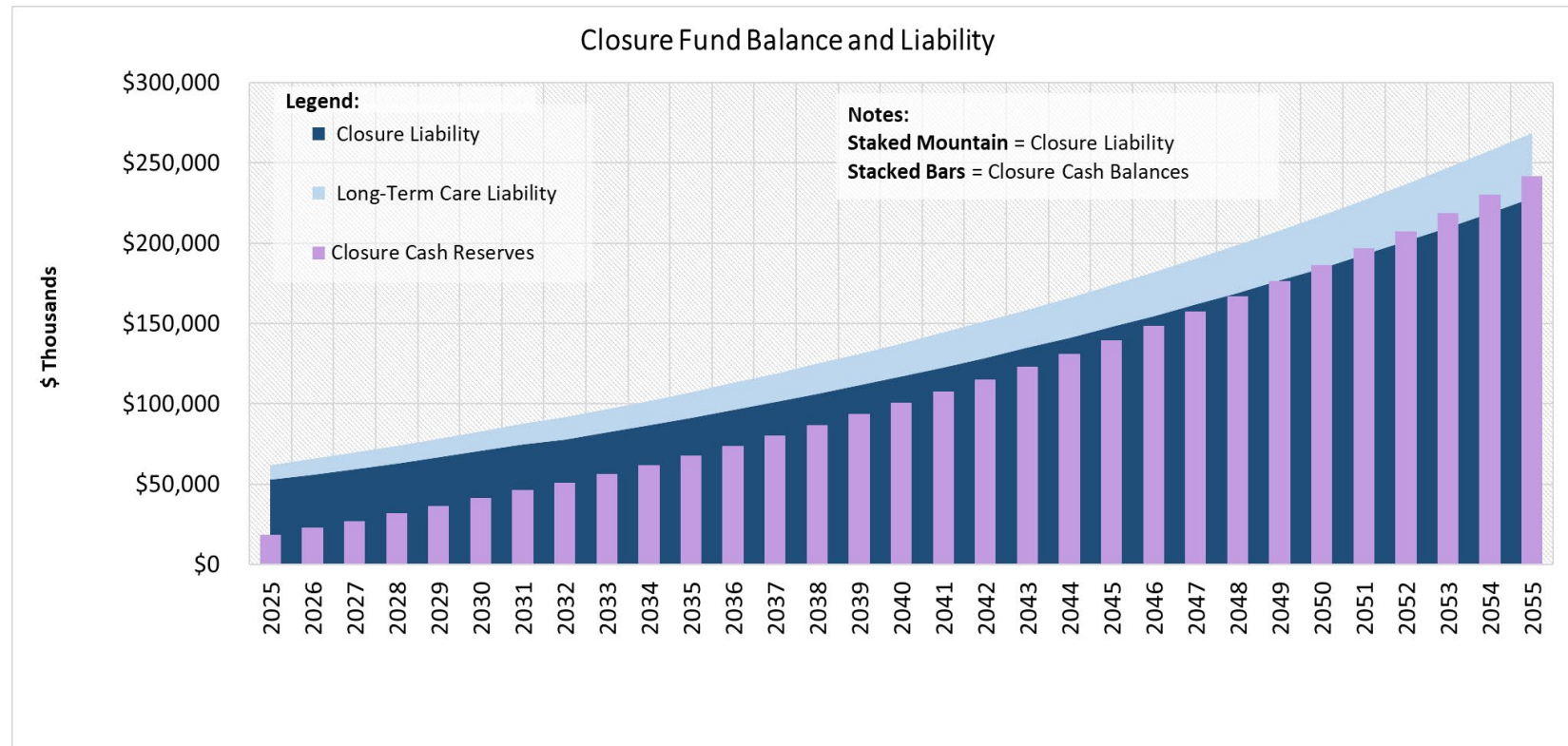
KEY ASSUMPTIONS – PROJECTED REVENUE REQUIREMENTS

- Assumes Rebid Reworld Contract
- Average Annual Expense Growth at ~3.5%



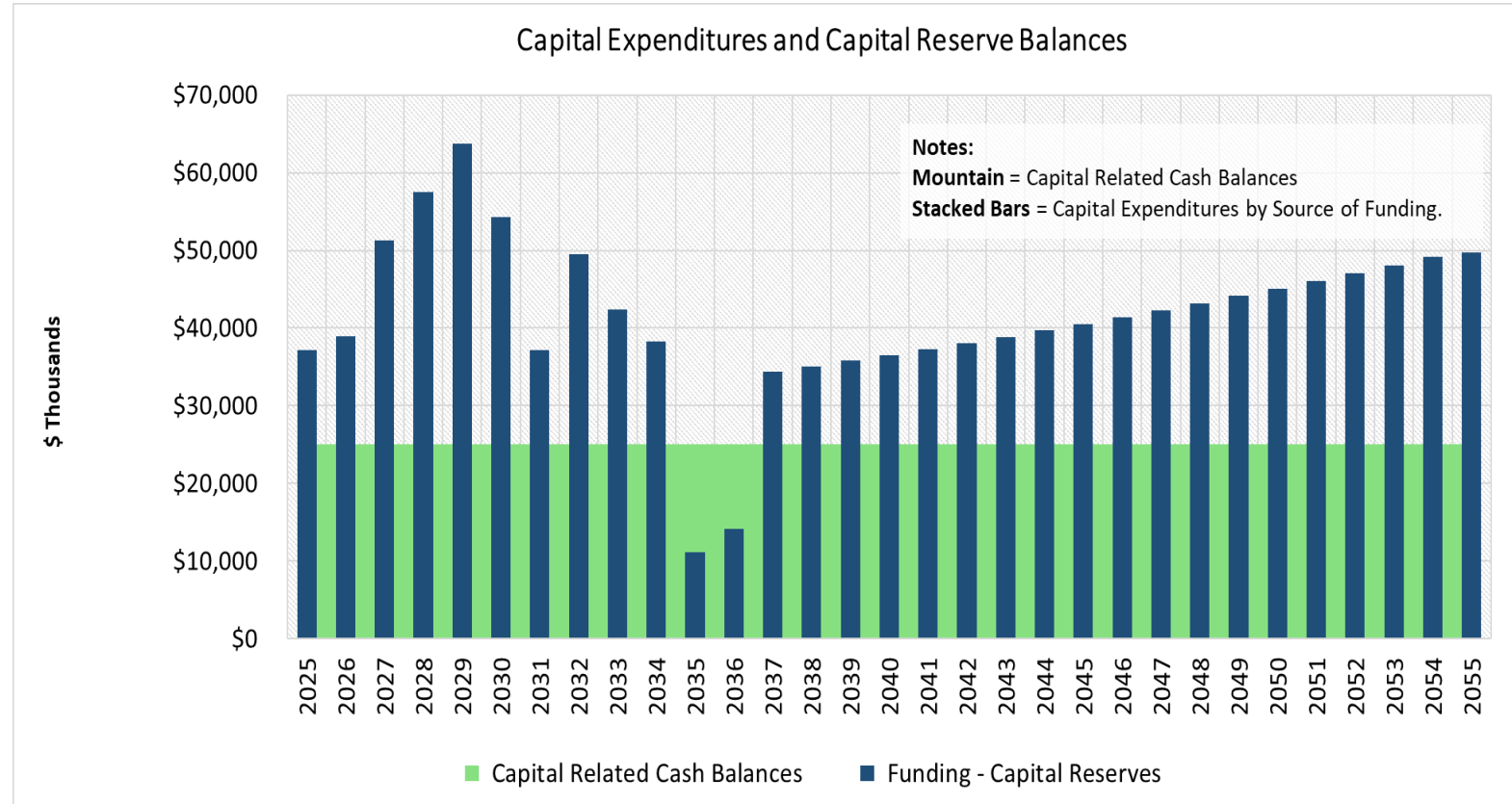
KEY ASSUMPTIONS - CLOSURE AND POST-CLOSURE

- 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)



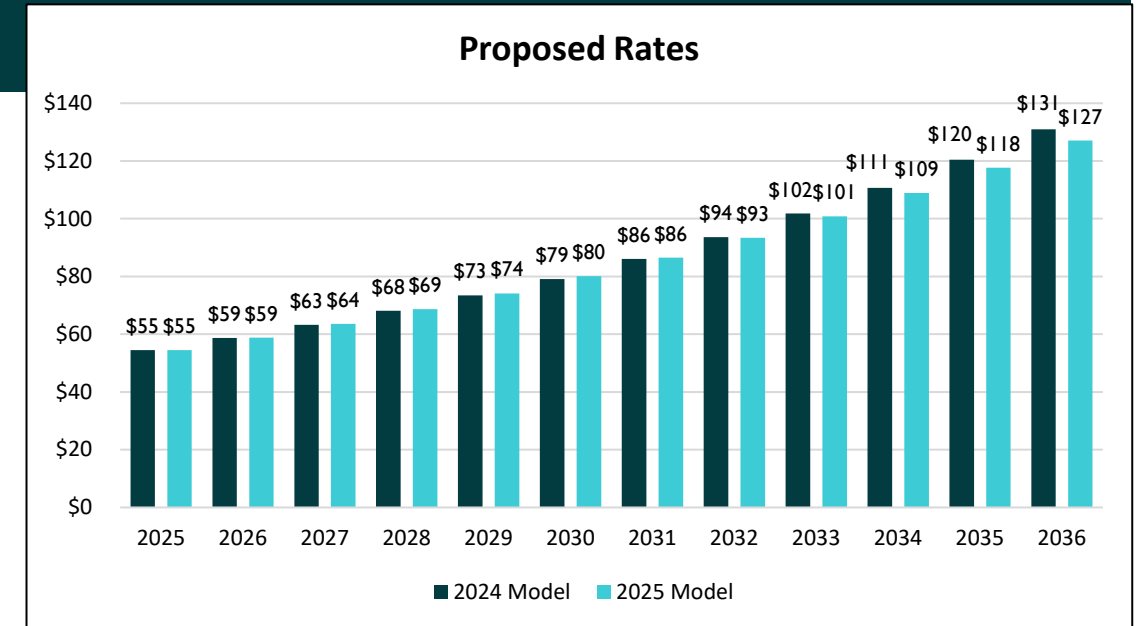
KEY ASSUMPTIONS - CAPITAL

- Proposed CIP FY25-36 = \$498.8M
- Top six projects \$416.1m or 83% of Total:
 - WTE R&R / several projects = \$269m
 - Bulky Waste Processing = \$63m
 - Landfill Improvements = \$35.6m
 - Solar and Net Metering = \$28.5m
 - Enhanced Metals Recovery = \$20m
 - Landfill Side Slope Closure = \$8m
- Assumed depreciation as proxy for capital needs after 2037
 - \$29.4 million annually escalated for inflation



FINDINGS

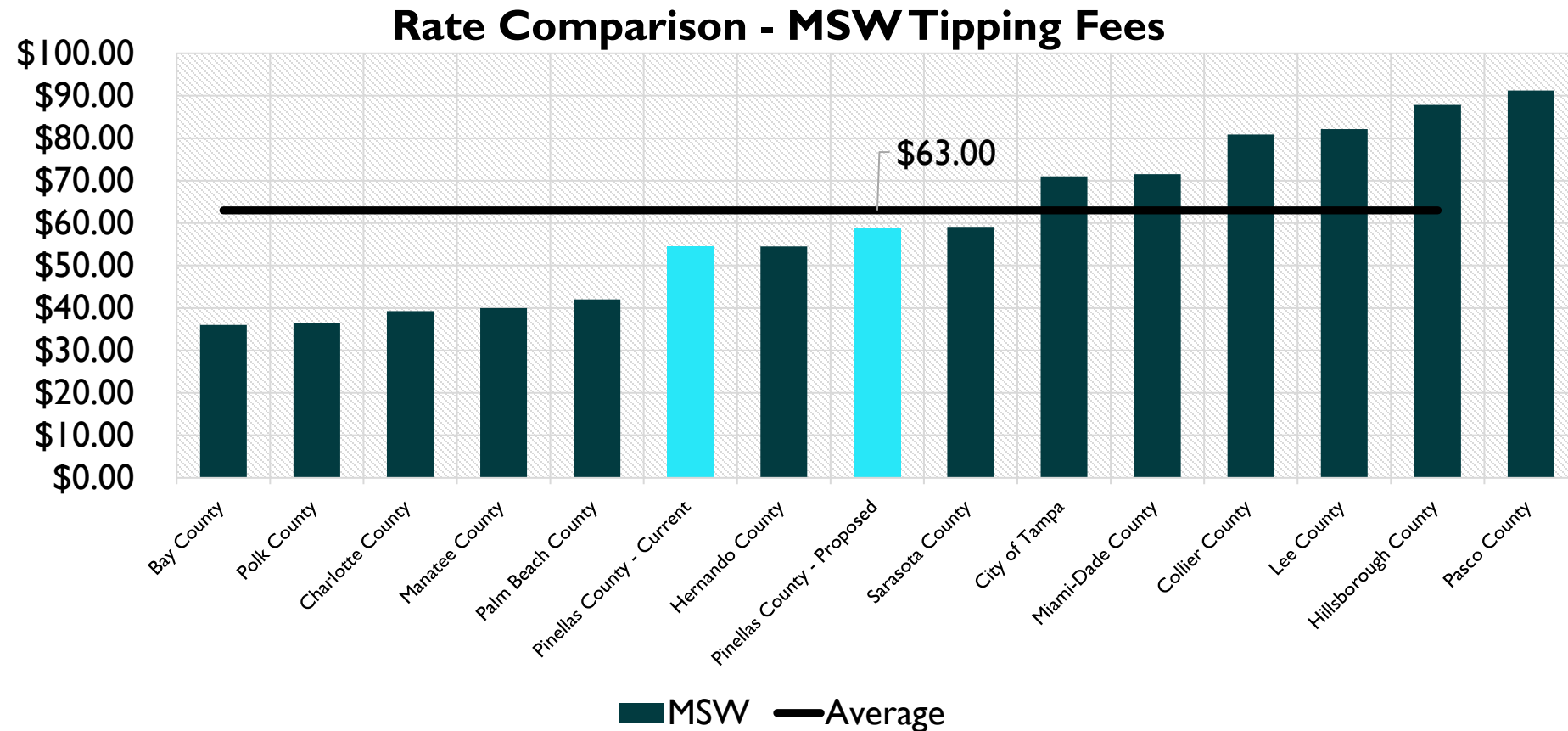
- Findings and Recommendations:
 - Key changes since Last Study Lower Expenses / Longer and Higher \$ Outlook on CIP
 - Adopt 3 Year Rate Plan at 8% per year
 - Slight Increase to Prior Year's Forecast next 3 years / Lower Overall next 10 years
 - The impact of the disposal cost increase to a single-family resident generating 1 ton of waste per year averages \$4.72 annually or \$0.39 a month



Tip Fee Recommendations

	<u>Adopted</u>		<u>Identified</u>	
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
Rate Adj. (%)		8.00%	8.00%	8.00%
Tip Fee (\$)	\$54.50	\$58.86	\$63.57	\$68.65
Change (\$)		\$4.36	\$4.71	\$5.08

MSW TIPPING FEE COMPARISON



THANK YOU!
DISCUSSIONS AND QUESTIONS

