

Board of County Commissioners

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Pinellas County Board of County Commissioners
315 Court Street, 5th Floor Assembly Room
Clearwater, Florida 33756
www.pinellascounty.org

Work Session

March 18, 2015

1:00 P.M.

AGENDA

1. [Utilities Business Case and Rate Sustainability](#)
2. [Pinellas County Long Range Transportation Projects](#)

Order of items is subject to change. All times are approximate. Break may be taken.

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Citizen's Comments Will Follow Presentation(s)

Any person wishing to speak regarding a work session topic must complete a comment card and give to the agenda staff at the staff table. The Chairman will call the speakers, one by one, to the podium to be heard. Each speaker may speak up to three minutes. Persons who have been authorized to represent a group of four or more individuals, who are present, should complete a comment card and may speak up to 10 minutes.

Pinellas County Utilities (PCU)

Business Case and Rate Sustainability
BCC Work Session / March 18, 2015



Agenda

- » History & Background
- » Project Purpose & Scope
- » Approach
- » Project Goals
- » Findings
- » Next Steps
- » Discussion

History & Related Background

- » August 2013: County request for business case study and rate sustainability project
- » March 13, 2014: Raftelis Financial Consultants (RFC) engaged and project kick-off
- » Summer 2014: Burton & Associates engaged to update prior rate analysis and extend adjustments through FY 2019
- » January 13, 2015: Burton & Associates presented results of their analysis to Board
- » **Today:** Presentation of business case and rate sustainability findings and solicitation of Board questions and input

Project Purpose & Scope

- » Identify opportunities and technologies to enhance utility performance and customer experience (today's focus)
- » Conduct comprehensive rate sustainability analysis to ensure cost recovery and long-term financial health



Approach

- » Project team comprised of representatives from all affected departments
- » Team established specific goals for the project (next slide)
- » RFC led a series of interactive workshops with the team

Project Goals

- » Collaborate with & obtain buy-in from stakeholders to facilitate successful change management
- » Identify financial impacts (positive/negative) of recommended business processes
- » Create road map to achieve sustainable business & financial rates
- » Create demand & appreciation for our services by improving business practices

Findings

§ Critical Success Factors (consistent with best-in-class utilities)

- Explore alternate service delivery
- Focus on customer service
- Control costs
- Ensure financial viability
- Invest in people

§ 3 Game Changers for PCU

- Advanced Metering Infrastructure (AMI) - for efficiency & effectiveness
- Monthly Billing - with focus on customer service
- Rate Structure - to ensure financial viability

AMI/Monthly Billing/Rate Structure

Why this combination?

- » AMI – wireless technology supports more frequent meter readings with customer access to real-time reports and alerts
- » Monthly billing – facilitated by real time data, enables best in class rate structure and easier budgeting for customers
- » Rate structure changes – more adequately apportion and recover costs while enhancing equity among customer classes

AMI & Monthly Billing

AMI – Key Benefits

- § Newer/more accurate meters = more accurate customer bills
- § Faster leak detection & correction = less lost water and customer costs associated with leaks
- § Immediate detection and correction of tampering and stuck meters = fairer and more level customer bills

Monthly Billing – Key Benefits

- § Smaller, more easily budgeted bills
- § Simpler collections process

Rate Sustainability

§ Desired outcomes:

- Water and Sewer Fund sustainability
- Provide equitable rate structure among customers
- Stabilize/index rate adjustments

§ This portion of project includes:

- Select pricing objectives
 - Rate Stability
 - Minimize Customer Impacts
 - Revenue Stability (better fixed cost recovery)
- Develop alternate water rate structures
- Develop 10 year rate sustainability model

Path Forward

- » Complete Cost/Benefit Analysis (CBA) for Business Case
- » Complete Rate Sustainability Analysis
- » Schedule Future Work Session(s) to
 - Present results of CBA and Further Recommendations of Business Case
 - Estimated Spring/Summer 2015
 - Present recommendations of Rate Sustainability
 - Estimated Summer/Fall 2015

Conclusion

- § Business Case & Rate Sustainability focus on optimization of Business side of Utilities for the benefit of our customers
- § Future project will focus on optimization of Operations side to more efficiently & effectively deliver products to customers
- § Today's presentation to solicit Board questions and comments

Thank you

§ Doug Bean: 704-373-1199 or dbean@raftelis.com

§ Tony Hairston: 407-960-1811 or thairston@raftelis.com

§ Henrietta Locklear: 919-260-5714 or hlocklear@raftelis.com



The image features a background split diagonally from the bottom-left to the top-right. The upper-left portion is a light blue, and the lower-right portion is a darker blue. A white rectangular box is centered horizontally, spanning across both color regions. Inside this box, the word "QUESTIONS" is written in a bold, white, sans-serif typeface.

QUESTIONS



BOARD OF COUNTY COMMISSIONERS WORKSHOP
MARCH 18, 2015

Transportation Improvement Project Ranking Criteria



PROJECT RANKING CRITERIA - APPROACH

- ~ 2040 MPO Long Range Transportation Plan (LRTP)
- ~ Ranking Criteria
 - Penny III
 - MPO LRTP
 - Proposed
- ~ Anticipated actions on 22nd Avenue South and Belcher Road
- ~ Next Steps



2040 MPO LRTP

- ~ MPO adoption of Long Range Transportation Plan (LRTP) in December, 2014
- ~ County and State road projects prioritized for 2020 – 2040
- ~ Funded by \$83 million in projected Penny revenue.
- ~ 30% of the \$276 million of projected Penny revenue applied to County transportation projects.



PROJECT RANKINGS - MPO LRTP

Rank	Facility	From	To	Improvement	Time Frame
1	Starkey Road	Flamevine Avenue	Bryan Dairy Road	RCST, Add lanes	2020-2025
1	Starkey Road	Ulmerton Road	Bryan Dairy Road	RCST, Enhance	2020-2025
2	62nd Avenue N	49th Street	34th Street	RCST, Add lanes	2020-2025
3	Starkey Road	East Bay Drive	Ulmerton Road	RCST, Add lanes	2026-2030
4	Starkey Road/Park Street	54th Avenue	84th Lane	RCST, Add lanes/Enh	2026-2030
4	Haines Road	51st Avenue N	I-275	RCST, Enhance	2026-2030
5	Belcher Road	38th Avenue N	54th Avenue N.	RCST, Add lane	2026-2030
5	Haines Road	US 19 (SR 55)	60th Way	RCST, Enhance	2031-2040
6	Belcher Road	NE Coachman Rd	Druid Road	RCST, Enhance	2031-2040
6	Sunset Point Road	Alt US 19 (SR 595)	Keene Road	RCST, Enhance	2031-2040
7	22nd Avenue S	58th Street South	34th Street S	RCST, Enhance	2031-2040
8	Forest Lakes Boulevard	SR 580	SR 584	RCST, Add lanes	2031-2040
8	102nd Avenue N	125th Street	113th Street	RCST, Enhance	2031-2040
8	Highland Avenue	East Bay Drive	Belleair Road	RCST, Enhance	2031-2040
8	102nd Avenue N	137th Street	125th Street	RCST, Enhance	2031-2040
8	Indian Rocks Road	Walsingham Road	West Bay Drive	RCST, Enhance	2031-2040
9	Belleair Road	US 19 (SR 55)	Keene Road	RCST, Enhance	2031-2040

Note: RCST = Reconstruction; Enhance is upgrade to urban standards, incl. curb/gutter, bike lanes, sidewalks

PROJECT RANKING CRITERIA - MPO LRTP

- Congestion (14%)
- Sidewalks (14%)
- Capacity Enhancement (10%)
- Crash History (10%)
- Economic Development (10%)
- Bicycle Accommodations (10%)
- Status of Project (10%)
- Transit Service (7%)
- Previously in Capital Improvement Program (CIP) - (3%)
- Hurricane Evacuation Route (3%)
- At-Risk Communities (3%)
- Access to Public Facilities (3%)



Note: Figures rounded. Do not total 100%.

PROJECT RANKING CRITERIA – PENNY FOR PINELLAS

Penny for Pinellas III Criteria (2010 – 2020)

- ~ 65% Capacity
- ~ 20% Crash History
- ~ 5% Economic Development
- ~ 5% Access to Public Facilities
- ~ 5% Sidewalk Needs



RE-EVALUATION OF COUNTY PROJECTS AND PRIORITIES

- ~ Road reconstruction, “RRR” projects (resurfacing, rehabilitation, restoration) and trails to be considered for future Penny funding
- ~ “At-Risk” areas
- ~ Economic development areas updated
- ~ Focus on arterial and collector facilities



PROPOSED RANKING CRITERIA FOR RE-EVALUATION OF COUNTY ROAD PROJECTS

- Congestion (22%)
- Economic Development (16%)
- Crash History (9%)
- Sidewalks (9%)
- Bicycle Accommodations (9%)
- Status of Project (9%)
- At-Risk/Low-Income Communities (6%)
- Access to Public Facilities (3%)
- Comprehensive Plan (3%)
- Corridor Included in Planned Trail Network (3%)
- Previously in CIP or Penny Commitment (3%)
- Transit Service (3%)
- Hurricane Evacuation Route (3%)

Note: Figures rounded. Do not total 100%.



COMPARISON OF PRIORITIZATION CRITERIA

Criteria	Proposed	MPO LRTP	Penny III
Congestion/Capacity Enhancement	22%	24%	65%
Economic Development	16%	10%	5%
Crash History	9%	10%	20%
Sidewalks	9%	14%	5%
Bicycle Accommodations	9%	10%	Not Included
Status of Project	9%	10%	Not Included
At-Risk/Low-Income Communities	6%	3%*	Not Included
Access to Public Facilities	3%	3%	5%
Comprehensive Plan	3%	Not Included	Not Included
Corridor Included in Planned Trail Network	3%	Not Included	Not Included
Previously in CIP or Penny Commitment	3%	3%**	Not Included
Transit Service	3%	7%	Not Included
Hurricane Evacuation Route	3%	3%	Not Included

*Did not include low income communities

**Did not include Penny commitment

Note: Due to rounding, "Proposed" and "MPO LRTP" columns do not add up to 100.

ANTICIPATED ACTIONS

- **22ND AVENUE SOUTH, 34TH STREET TO 58TH STREET**
 - Update FY 2009 PD&E Study data and evaluate design alternatives (begin FY15 – complete FY16)
- **BELCHER ROAD, GULF TO BAY BLVD TO NE COACHMAN**
 - Update FY 2008 PD&E Study including design alternatives, Recommendations and cost estimates would be specifically focused on Gulf To Bay Boulevard intersection (begin FY15 – complete FY16)

NOTE: Schedule for improvements above will depend on results of study updates and Penny IV extension.

NEXT STEPS

- Revise road project priorities based on recommended criteria and present to Board at future workshop
- Incorporate new priority list in Comprehensive Plan and future CIP
- Reflect new priority list in LRTP through amendment or in next update
- Continue staff efforts re-assessing future transportation needs and projects

