



# **TECHNICAL MANAGEMENT COMMITTEE**

## **Department of Solid Waste Conference Room**

**Minutes of the Meeting - May 23, 2018**

The meeting of the Solid Waste Technical Management Committee (TMC) was held at the Department of Solid Waste Conference Room, 2:00 pm on Wednesday, March 28, 2018. Members and Alternates present were James Walker, Earl Gloster, Ben Shirley, Willie Joseph, Daniel Anspach, Bill Pickrum, Scott Witt, Michael Gordon, Ray Boler, Tom Nicholls & Calvin Warren. Pinellas County attendees were Paul Sacco, Interim Director Solid Waste, Linda Larkins, Stephanie Watson, Terese Galluccio, Robert Mills, Brendan Mackesey, Assistant County Attorney and Deann Baker, Recording Secretary. Members absent without an alternate: Nick Di Ceglie.

**Call to Order:** After an introduction of all attendees, Mr. Walker called the meeting to order at 2:00 pm.

**Citizens to be heard:** None present.

**Minutes:** The Chairman called for review and approval of the meeting minutes from the meeting held on March 28, 2018.

*A motion was made by Ray Boler and seconded by Scott Witt to approve the TMC Minutes from the meeting on March 28, 2108. Motion approved. Motion carried unanimously.*

**Operations Report:** Robert Mills, IM Division Manager (For Deb Bush)

- The Operations report is for February & March.
- Total system tons for February was 69,778 & 58,547.96 for March.
- Total landfilled for March was 31,880.11. System tonnage was 90,428.07 for March. The additional tonnage to the landfill was due to the Spring Outage which was completed on schedule, as well as Boiler 3 that was taken down during that time & then brought back on line May 9<sup>th</sup>.
- The Waste to Energy Facility sold 34,086 Megawatts in February & 31,812 in March.
- The 12 month capacity average was approximately the same.
- The boiler availability was affected by the outage, dropping from 85% to 72%.
- Turbine availability remained consistent at 96.9% in February and 96.7% in March.

**Landfill:**

- The Engineering consultants have completed the annual site life capacity and determined that there is 84 years of disposal capacity remaining.
- County staff, Engineering consultants and the Landfill Operators are working to finalize the fill sequencing for the next phase of the South Landfill construction, which will also incorporate some drainage plans.
- BCC approval pending on the new Landfill operating contracts. ADS was the selected bidder. Once the Board has made their final approval, the contract will be moving forward.

## Water Treatment Facility:

- For March, gallons treated were 43,834,381 & gallons to the WTE plant was 24,888,002, or roughly 56% of the material from the water went to the WTE plant.

## HEC3, Mobile Events, CESQG & Recycling Outreach:

- There was an increase from February to March in the HEC3 participants. During March, a validation of participants was done by installing car counters from the Traffic Department. The monthly participation range is between 2,700 to 2,900 customers per month.
- The Haz-to-Go events went up from 294 in February to 435 in March.
- For the CESQG participants, they remained the same at 58.
- Business Waste assessments had a small drop from February to March. Inspections also saw a small drop, but there were 259 new businesses added to the database. Waste reduction assessments were 103 in March.
- The tours and presentations went up in March to 37. Tours & Presentation participation went from 924 in February to 942 in March.

## Financial Report: Linda Larkins, Office of Management & Budget

- Linda Larkins reviewed the Financial Report which covers 6 months, 10/1/2017-3/31/2017. The report was prepared last week and the Clerk had not closed April.
- All of the major Revenue categories are running at about 50% of the budget, which is good. The one exception is interest. OMB budgets higher for interest earnings, expecting a higher interest rate than we're actually realizing. This is continually being monitored.
- Forecasting for the FY18 budget and for building the FY19 budget, OMB has gone back to being a bit more conservative. The expectation is not to be this high at this point next year.
- For expenses, our personal services are running in line with budget along with some open positions.
- Operating Expenses are running favorable to budget, primarily due to consulting work, chemicals, repair & maintenance, as well as timing of water and sewage invoice payments.
- Plant Management expenses running on the Covanta service side are right in line. We're seeing favorability due to the Covanta TRP operating project work.
- Capital Equipment & CIP are favorable to budget, based on timing of purchases & project work.
- Footnote #3 is new to the report and references the Ending Reserves & Fund Balances.  
***NOTE: This dollar amount does not include fixed assets values, and is truly cash. This amount, in short and long term, must cover items such as an estimate of post closure care, which we expect to be \$45 million as a future cost. The Board of County Commissioners has a requirement of 3 months Operating Expenses to be held in Reserves. The WTE Operator contract requires that we maintain a certain level of reserves & we also have annual renewal replacement reserves.***
- Bill Pickrum questioned the total balance from our previous TMC meeting, which was significantly higher. That number was pulling from the Clerk's fund balance sheets, which includes all assets of the Waste to Energy facility & the value of everything at Solid Waste. Once OMB pulls out the assets that are not cash, cash is what is represented in this report. The County reserve policy excludes the fixed asset values. There is guidance from the BCC for the General Fund Reserve which is about 15%. This is required as we are a coastal County & require funding for storm events. It doesn't pass down to each Enterprise. Each Enterprise has its own guidelines for reserves, which for us equals approximately \$100 million dollars.

### **Additional Items:**

- Robert Mills discussed what has been occurring at the Landfill recently. Drivers have been routinely parking at the container turn around area at the bottom of the WTE tipping floor exit ramp to use the public bathroom at the Scalehouse. This area is a no parking area and is clearly labeled that way. Its purpose is to provide space for roll-off trucks to turn their containers around after dumping and for emergency use by the County. Parking is available along the exit road only and we ask that you please speak to your drivers about not parking on the hot pad.
- The City of Treasure Island passed an updated sanitation ordinance on April 17, 2018. The ordinance establishes the framework for a universal multi-family recycling program. For more information, please visit: [http://www.mytreasureisland.com/departments/public\\_works/multi-family\\_recycling\\_plan.php](http://www.mytreasureisland.com/departments/public_works/multi-family_recycling_plan.php)
- Since rollout in January 2017, over 82,500 materials searches have been conducted using our [A to Z Guide to Recycling and Disposal](#). The guide is updated with new materials, often suggested by its users. If you have any questions or suggestions to improve the information in the guide, please send us an email at [recycle@pinellascounty.org](mailto:recycle@pinellascounty.org) Feedback is appreciated.
- Paul discussed the Master Plan kick off meeting which was held on May 18<sup>th</sup>. HDR is the Consulting firm selected and they're in the discovery phase. They've requested a lot of data from us so they can take that and move on with the Scope of Work that's been outlined. Part of the Master Plan is to do outreach and some regional lists of items going on. The team was notified that they'll be receiving a letter with Paul's signature requesting information from our Municipalities about their practices & see if we can select some good data. Please be as forthright in returning information so that we gather great data while we're making evaluations and then making recommendations moving forward. Built into the Master Plan are at least 2 opportunities for HDR to provide an update to the TMC as well as the BCC. There are 3 phases to this with the final due about a year from now. More updates to follow.
- Robert Mills has been working with the Emergency Management team, as a follow up to lessons learned from Irma. We here at Solid Waste learned a lot as well as the County as a whole. The Emergency Response Plan has been updated & approved. Training will be conducted. We would like to include the Municipalities as well as private haulers. Look for that invitation in the month of June.
- We're working with our consultants, CDM Smith & Birchtree to develop a term sheet, an initial proposal to renegotiate our Purchase Power Agreement with Duke Energy. The term sheet will be provided to Duke Energy on 5/25. This is our first attempt. Paul reviewed it with the County Administrator who made some minor changes. He gave approval for this first pass. We're looking at changes in the availability of the plant & pricing in general. The agreement will run out in 2024. There's a net present value of monies that would be owed to us during that term. The proposal takes that net present value into account and squeezes that out over a 20 year term, which matches the investment which is currently being made at the facility, so things will line up. There's certainly a risk in doing this, with monies that are owed to us in the existing agreement. However, by doing this, it would take the pressure off raising the tipping fees. This is not to say that they wouldn't go up, just not as drastic as what was presented to the TMC last year. If Duke is open to this proposal, we would be asking for a premium on top of the monies because of the risk we're taking, which would result in some language changes to protect us by taking back some of the monies if we were to somehow get out of the Waste to Energy business. As they get into this deeper, the legal team would need to be brought in & the Commissioners briefed. The Utilities Commission does not meet that often, so the earliest the re-negotiation could occur and executed by both sides, County Commissioners & the Utilities Commission, would be January 2020.

- Mike Gordon brought up the recycling issue. There were two news crew out in Largo to film his trucks collecting and to interview the City of Largo's Director to discuss the end of their contract, which will have to go out for bid. There will be a significant cost to recycle. He opened it up for anyone in Municipalities that would like to discuss recycling, future contracts & associated costs. Jimmy Walker brought to the team that the media has made it very clear that there are issues with recycling. His thought was to come back to the TMC and see how it's affecting the rest of the team. Waste Management has reopened their facility and is collecting recyclables again. Earl Gloster stated that recycling at this point is not financially sustainable. The tipping fee with Waste Management for recyclables is \$90 per ton. There was discussion regarding partnering, finding alternative solutions, etc. China will stop taking recyclables for the month of June. Another market would be in Vietnam, Malaysia & South America. They'll only pay ½ of what China was paying and will only be able to take the recyclables for about 2 months before their facilities are full.
- Stephanie Watson gave an update on the PPR meeting with regards to recycling. The contamination rate is now set at 0.5%, which is almost unattainable. Larry Dalla Betta from Recycling Services had an interesting perspective. We were getting a rebate until last month and now we're paying processing fees. Four inspections of their recyclables have been completed, in an effort to certify them as a viable recycler. With the threshold of 0.5%, which is almost nothing, this is difficult. While Stephanie was at Waste Management, she spoke with an individual that is also looking at the Asian & South American markets. Larry's thoughts are that there will be a "stop" at some point, but within a year, China will need our materials since they make a lot of products, and will need our raw materials. Recycling has a cost, so that's something that needs to be relayed. The PPR team would like to take the educational approach of the contamination issue to the residents.
- Bill Pickrum brought up the rate increases that some of the Municipalities will be imposing soon. The transportation cost of the recyclables is a real issue, as there are not that many plants in the near vicinity.
- Calvin Warren discussed that there should be a unified message from the media, rather than 5 different stories from 5 different cities. I.e.; what should and shouldn't be recycled. If 1 Municipality stops taking 1 commodity, but another continues to take it, there will be mixed messages.
- Calvin Warren & Ben Shirley have contracts that are up for renewal at the end of this year. Mike Gordon's will be up at the end of February and Scott Witt has 3-4 years remaining on his. No one believes they will be able to get anything close to what they've got now. Contamination rate for Ben Shirley (City of St. Petersburg) right now is less than 10%.
- Paul suggested a possible summit meeting. The County would take the lead in making this happen, but it won't happen overnight. Municipalities, private haulers, County and State Officials should be part of the summit meeting. The team decided to have a separate meeting, rather than having it after a TMC meeting. Paul thinks it would be best to have it as a County hosted event. It would however be publically advertised. The TMC would be in attendance to represent their own interests as stakeholders. Paul would like to have the HDR consultants attend with regards to the Master Plan as there may be regional opportunities that they can look at. Paul will work with County staff to set up the Summit. A July timeframe was discussed.

**Adjournment:**

*Earl Gloster made a motion to adjourn and was seconded by Ray Boler. Meeting adjourned at 2:45 pm.*

**The next TMC Meeting is scheduled for July 25, 2018.**

*Respectfully submitted, Deann Baker, Recording TMC Secretary*