



**OFFICE OF THE COUNTY ADMINISTRATOR**

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**M E M O R A N D U M**

**TO:** The Honorable Chairman and  
Members of the Board of County Commissioners

**FROM:** Barry A. Burton, County Administrator *BAB*

**DISTR:** Paul Sacco, Assistant County Administrator  
Bill Berger, Director, Office of Management and Budget

**SUBJECT:** Solid Waste Tipping Fee Rate Increase Recommendation

**DATE:** February 13, 2019

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In an effort to inform the Board, I am providing you advanced communication of a Solid Waste Technical Management Committee (TMC) recommendation to increase the Solid Waste Tipping Fee.

**Background:**

Per County Code Section 106, the TMC is required to annually provide a rate recommendation to the Board.

The TMC Rate Review Subcommittee met on Wednesday, January 23, 2019 to review the rate study conducted by a third party consultant, PRMG, which included a projection of anticipated costs and revenues through FY2048. This rate study included all currently known information related to both the Solid Waste Master Plan and the possible impacts of the Power Purchase Agreement (PPA) renegotiation. There are adequate reserves to cover costs for the next fiscal year at the current rate (based on projected expenses and revenues, current reserve levels and estimated CIP costs). However, the rate study results reveal a significant revenue decrease will occur in 2024, which coincides with the expiration of the current PPA. In order to minimize the impact of subsequent tipping fee increases, the Subcommittee identified a strategy to incorporate gradual increases beginning at an earlier effective date. After discussion, the Subcommittee voted to recommend to the TMC a tipping fee increase from \$37.50 per ton to \$39.75 per ton (a 6.0% increase), beginning in FY2020. An effective date of October 1, 2019 will provide municipalities, private haulers, and the County time to adequately prepare their respective FY2020 budgets to incorporate this increase.

Immediately following the Subcommittee meeting, their recommendation was presented to the TMC. Following discussion, the TMC voted 6-5 to recommend a three-year plan to increase the

per ton disposal rate by 6.0% per year. Beyond year one, the TMC will continue its prescribed practice to annually review rates and provide rate recommendations to the Board.

To maintain transparency, I have directed staff to bring this recommendation as an informational report to the Board at their February 21, 2019 scheduled workshop. A public hearing will be scheduled for March 12, 2019 for Board consideration. Given the narrow voting margin, all municipalities have been provided the rate study documents and will be directly given notice of the public hearing.

The following is the TMC voting outcome, by entity.

<b>For</b>	<b>Against</b>	<b>Absent</b>
City of Clearwater	City of Dunedin	City of St. Pete Beach
Independent Haulers Rep.	City of Largo	City of Tarpon Springs
Pinellas County	City of Pinellas Park	
City of St. Petersburg (2 of 2 votes)	Group B Cities (Gulfport, Kenneth City, Seminole, South Pasadena)	
Group A Cities (Safety Harbor, Belleair, Belleair Bluffs, Oldsmar)	Group C Cities (Indian Rocks Beach, Belleair Beach, Belleair Shore, Indian Shores, Madeira Beach, Redington Beach, North Redington Beach, Redington Shores, Treasure Island)	

Please contact me or Paul Sacco, if you have any questions. Thank you.