

Utilities

Department Purpose: To distribute clean drinking water, collect and treat wastewater, and deliver reclaimed water to Pinellas County residents and visitors. Utilities operates and maintains two wastewater treatment facilities and one water treatment facility to provide services to over 112,000 water customers and over 83,000 sewer customers.

Performance Summary:

- Advance metering infrastructure (AMI) will enable a fully automated network of data collection for water usage that will provide customers real-time data. This project will also allow for budget billing which will enhance payment options for customers.
- In response to COVID-19, the Utilities Customer Services call center staff began working remotely in March. Initial indicators prior to the software upgrade show an improvement to this measure with a remote-capable workforce.
- The Utilities Work Plan initiatives consist of facility and infrastructure master plans that will incorporate criticality assessment of infrastructure and planning for future sea level rise and flooding events. Notably, the Regional Resource Recovery Facility project will be aimed at a regional solution to biosolids and waste management. In addition, the wastewater collection system master plan will address policies, asset management, and capital improvement planning aimed at reducing and mitigating sanitary sewer overflow events. The plan will also develop and implement a septic-to-sewer program.
- Utilities implemented an upgrade to the customer information system software (SAP S4 HANA). This software upgrade enhances end-to-end processes for meter data, billing and revenue collection. This project also includes a billing redesign that better informs customers.
- Utilities continues to review performance measures and additional key performance indicators (KPIs). Performance measures will continue to be evaluated and refined in accordance with industry standards such as the American Water Works Association, Effective Utility Management Manual, and the Utilities strategic plan goals.

COVID-19 Performance Impacts:

- Average water demand for March and April are consistent with historical usage despite beach closures, as our customer base is predominantly residential.
- While significant modifications to protocols were implemented to ensure social distancing, our customers have continued to receive the same level of service.
- All critical functions of the department have remained operational.

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Opportunities for Efficiencies:

- Installation of Advanced Metering Infrastructure (AMI) system wide will enable customers to have access to real-time usage data and monitor usage for potential leaks, which promotes water conservation.
- Approximately 40% of the department workforce is remote capable. Initial performance indicators reveal enhanced productivity.
- Implementation of advanced customer information system software for automating processes and improving reporting capabilities (SAP S4 HANA).

Potential Threats:

- State legislation increasing penalties for sewer overflow and encouraging private lateral inspection programs.
- EPA modifying lead and copper rule for drinking water requiring expansion of testing for schools and daycare facilities.
- PFAS (“Per-and polyfluoroalkyl substances”). Additional testing and regulations to be added to the Safe Drinking Water Act. Superfund rules could impact biosolids and reclaimed water.
- State legislation limiting land applied biosolids (applied to land for disposal) to improve water quality.
- State legislation for Surface Water Discharge Elimination.

Budget Summary: The FY20 Estimate and FY21 Budget request include COVID-19 related impacts.

SEWER FUNDS	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Budget	FY20 Estimate	FY21 Total Request
Revenues	82,519,119	79,970,072	82,702,560	87,082,760	87,613,557	92,396,020
Personal Services	15,809,871	16,192,750	17,405,230	19,437,430	18,894,429	20,594,910
Operating Expenses	25,398,060	27,561,406	28,146,828	35,507,040	30,184,547	31,268,540
Capital Outlay*	24,210,693	30,510,260	21,934,854	42,859,470	41,151,038	49,438,000
Debt Service	14,310,099	14,629,330	14,635,916	14,641,450	14,641,450	14,623,750
Total	79,728,723	88,893,746	82,122,828	112,445,390	104,871,464	115,925,200
*Capital Outlay						
CIP	22,732,419	28,716,756	19,018,645	39,745,450	38,504,000	47,572,800
Capital Purchases	1,478,274	1,793,504	2,916,209	3,114,020	2,647,038	1,865,200

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WATER FUNDS	FY17 Actuals	FY18 Actuals	FY19 Actuals	FY20 Budget	FY20 Estimate	FY21 Total Request
Revenues	89,086,551	93,478,548	95,436,713	90,189,200	94,649,630	94,374,990
Personal Services	12,610,876	13,454,423	14,070,627	17,391,290	16,627,041	17,640,860
Operating Expenses	52,664,751	55,445,897	58,734,359	62,477,820	60,631,399	60,157,040
Capital Outlay*	15,971,632	9,713,727	11,932,067	25,701,330	19,845,784	22,539,860
Debt Service	6,524	28,795	86,973	177,100	172,000	150,000
Total	81,253,783	78,642,842	84,824,026	105,747,540	97,276,224	100,487,760
*Capital Outlay						
CIP	14,032,241	8,111,629	10,206,835	23,550,450	17,823,900	22,239,000
Capital Purchases	1,939,391	1,602,098	1,725,232	2,150,880	2,021,884	300,860

Nominal expenditures also charged to Solid Waste Fund for support of SCADA system and collection/analysis of groundwater wells and surface water samples.

Staffing Summary:

	FY17	FY18	FY19	FY20	FY21
Water	182.3	193.2	200.7	203.8	203.9
Sewer	217.1	216.9	218.0	220.4	220.5
Solid Waste	5.3	4.3	4.3	4.3	4.5
Total Utilities FTE	404.7	414.4	423	428.5	428.9

Budget Highlights:

- Sewer revenues are increasing by \$5,313,260, or 6.1% from FY20 Approved Budget.
 - FY21 rate increases: Sewer – 9.5%; Reclaimed Water – 6.3%
- Water revenues are increasing by \$4,185,790, or \$4.6% from FY20 Approved Budget.
 - Water Fund – FY21 rate increase: 1.0% for commercial customers with meter size of 1” or greater (approximately 8% of customer base)
 - Retail water sales budgeted very conservative in FY20, much less than currently estimated and budgeted for FY21.
- Sewer total expenditures are increasing by \$3,479,810, or 3.1% from FY20 Approved Budget.
 - Increase of \$1,157,480 in personal services and \$7,827,350 in CIP, offset by decreases in operating expenses and capital outlay.
 - Sewer Fund reserves being used to fund increased CIP expenditures.
- Water total expenditures are decreasing by \$5,259,780, or 5.0% from FY20 Approved Budget.
 - Decrease in operating expenses of \$2,320,780, as well as a decrease of \$1,850,020 for capital outlay, and \$1,311,450 for CIP, offset by increase in personal services.

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- Total personal services reflect an increase of \$1,444,800, or 3.9%.
 - Increase of \$171,385 related to salary and benefit costs as a result of the implementation of the exempt position phase of the Evergreen study.
 - Net increase of 0.4 FTE added from FY20.
- Sewer operating expenditures are reduced by \$4,238,500, or 11.9%.
 - A decrease of \$1,122,450 is due to the completion of several studies. The South Cross and Dunn master plans and fiber optic assessments will be completed, as well as the sewer modeling project. FY21 includes \$300,000 for the regional resource recovery facility and \$700,000 for sewer flow monitoring in North Pinellas County.
 - A decrease of \$537,250 is shown in the cost of pumping and disposal as well as grit removal at the wastewater plants.
 - Fewer emergency repairs and breaks in water and sewer lines, as well as a reduction in equipment and electrical repairs, reflect a decrease of \$1,747,950.
 - There is a reduction of \$488,090 for chemicals used at the wastewater plants, based on historical usage.
- Water operating expenditures are reduced by \$2,320,780, or 3.7%.
 - A decrease of \$622,460 is recognized due to the completion of the water system master plan as well as the completion of the water main condition assessments.
 - The purchase of regional water is reduced by \$1,000,000, primarily due to decrease of Pinellas County portion of fixed costs from Tampa Bay Water. Our share of costs to Tampa Bay Water are expected to decrease as the volume of water purchased by other member governments is increasing.
 - A reduction of \$249,800 in other current charges and obligations is due to not budgeting for the property taxes at Cross Bar/Al Bar ranch. The FY17-FY20 liability is currently being appealed by Pinellas County.
 - Operating Supplies reflect a decrease of \$181,150, primarily due to the reduction in purchase of valves, hydrants and meter fittings.
- Capital Purchases are reduced by \$3,098,840. The majority of this decrease (\$2,541,360) is due to the SAP HANA software purchase in FY20. The remainder of the decrease is due to fewer vehicle replacements. A portion of reserves is set aside for vehicle replacement as an internal sinking fund that acts as a VRP but kept within Utilities funds.

COVID-19 Budgetary Impacts:

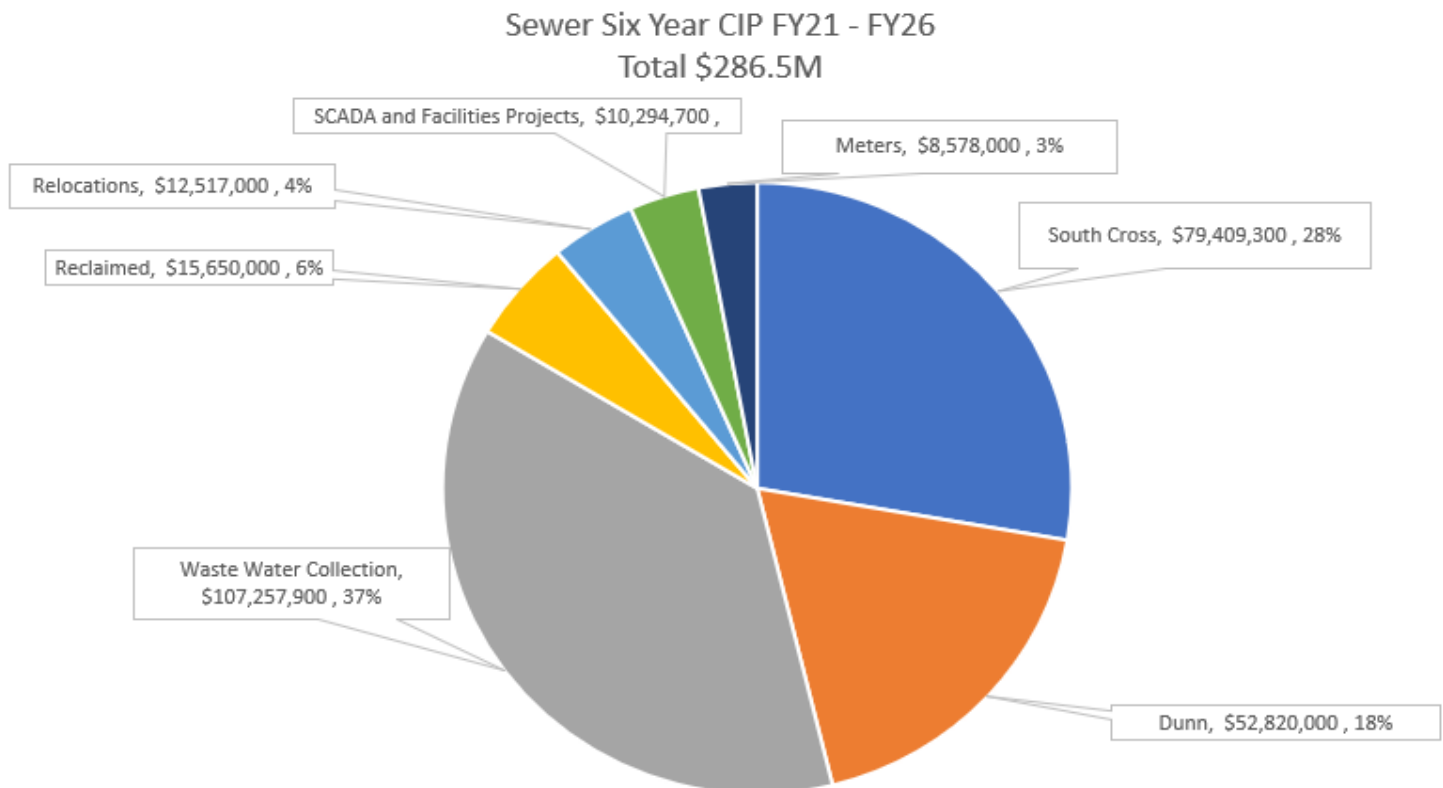
- Revenue: No significant budgetary impacts are anticipated due to Covid-19.
- Expenditures:
 - Personal Services (Overtime in Maintenance division due to delayed work expected to accelerate later this fiscal year):
 - FY20 Estimate- Increase of \$52,670
 - FY21 Budget Request – Increase of \$38,220

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- Operating Expenses (Travel/Per Diem & Training):
 - FY20 Estimate – Decrease of \$280,610
 - FY21 Budget Request – Decrease of \$36,140

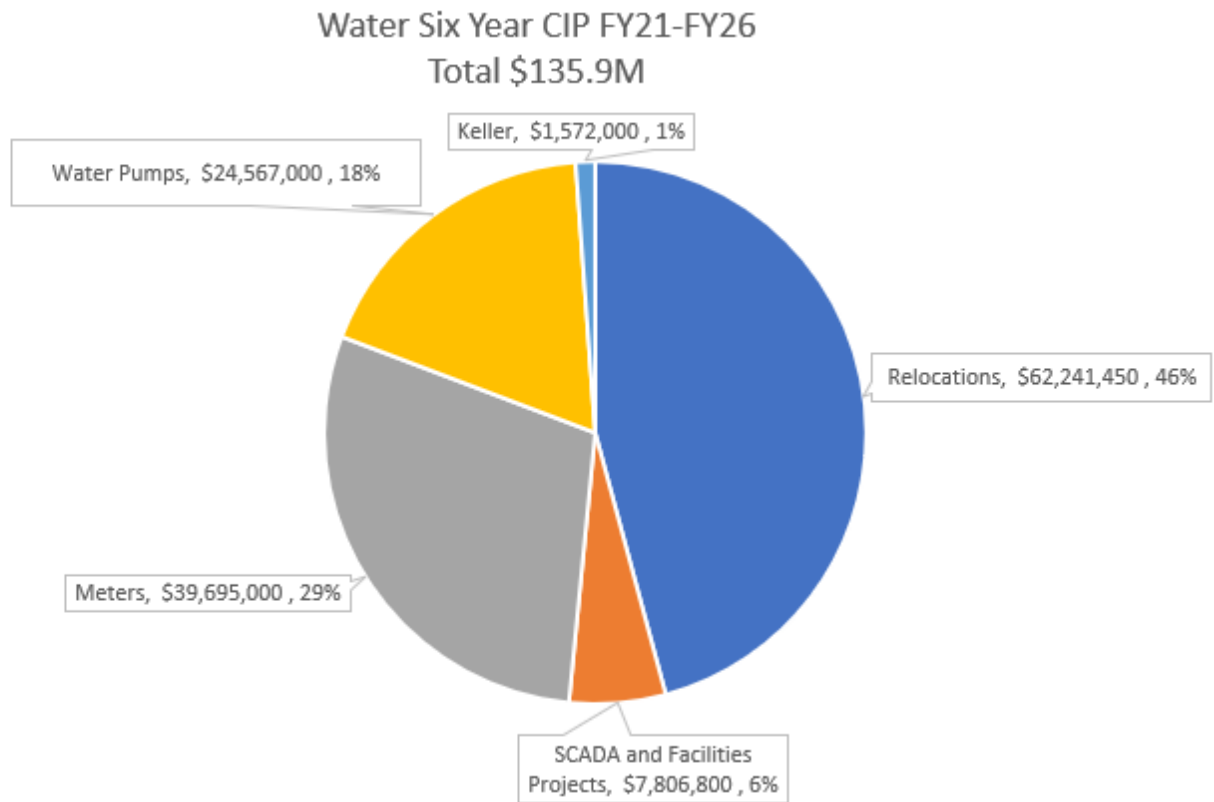
CIP:

- Sewer:
 - FY20 Approved Budget: \$39.7M; FY20 Estimate \$38.5M (Decrease of \$1.2M)
 - The South Cross Bayou Grit Facility Improvements (002944A) Total project cost is \$26.1M. Construction scheduled to start in FY20.
 - Pump Station 016/Park Blvd Force Main to South Cross Bayou Replacement (002160A) Total project cost \$16.8M. Construction scheduled to begin in FY20. NTP issued to vendor.
 - FY21 in Current 6 - Year CIP Plan: \$45.7M; FY21 Proposed \$47.6M (Increase of \$1.9M)
 - Current 6 - Year Total CIP Plan: \$274.1M; Proposed 6 - Year Total CIP: \$286.5M (Increase of \$12.4M)



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- Water:
 - FY20 Adopted Budget: \$23.6M; FY20 Estimate \$17.8M (Decrease of \$5.8M)
 - Decrease due to timing of AMI project
 - FY21 in Current 6 - Year CIP Plan: \$19.7M; FY21 Proposed: \$22.2M (Increase of \$2.5M)
 - Current 6 - Year Total CIP: \$122.2M; Proposed 6 - Year Total CIP: \$135.9M (Increase of \$13.7M)



- New CIP project requests total \$29.8M included in the 6 - Year CIP plan (Sewer Fund \$7.8M and Water Fund \$22M):
 - General Maintenance Building South Hardening – Project Cost: \$1.5M (Sewer Fund \$527,100; Water Fund: \$978,900)
 - Marlin Drive Utility Relocation – Project Cost: \$695,000 (Sewer Fund \$266,000; Water Fund: \$429,000)
 - Starkey Road Utility Relocation Flame Vine to Bryan Dairy – Project Cost: \$8.9M (Sewer Fund \$2.2M; Water Fund \$6.7M)
 - Pass-A-Grille Way 9th Ave to 22nd Ave Utility Relocation – Project Cost \$2M: Water Fund
 - US 19 from Timberlane Road to Lake Street Utility Relocation (FDOT) Project extends beyond 6-year CIP – Total project costs \$8.6M
 - Cost in current 6-Year CIP \$3.2M (Sewer Fund \$797,000; Water Fund \$2.4M)

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- US 19 from Nebraska Ave to Timberlane Road Utility Relocation (FDOT) Project extends beyond 6-year CIP – Total project costs \$10.1M
 - Cost in current 6-Year CIP \$6.3M (Sewer Fund \$2.2M; Water Fund \$4.1M)
- US 19 from County Road 95 to Pine Ridge Way Utility Relocations (FDOT) Project extends beyond 6-year CIP – Total project costs \$8.6M
 - Cost in current 6-Year CIP Sewer \$7.2M (Sewer Fund \$1.8M; Water Fund \$5.4M)

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Changes to User Fees:

Fee	FY20 Adopted	FY21 Proposed	Change
WATER REVENUE AND OPERATING FUND			
Metered Connection Charges			
Meter & Meter Box 5/8" x 3/4" (Excludes Tap and Service)	\$435	\$660	\$225
Meter & Meter Box 1" (Excludes Tap and Service)	\$525	\$700	\$175
Meter & Meter Box 1 - 1 1/2" (Excludes Tap and Service)	\$730	\$1,050	\$320
Meter & Meter Box 2" (Excludes Tap and Service)	\$1,065	\$1,300	\$235
Meter & Meter Box 2 - 2" Parallel (Excludes Tap and Service)	\$2,130	\$2,600	\$470
Backflow Prevention Devices - Reduced Pressure Device - Single			
Installed by Owner, Provided by County, Single 4"	\$2,239	At cost + Warehouse handling fee of \$34	(\$387)
Installed by Owner, Provided by County, Single 6"	\$3,285	At cost + Warehouse handling fee of \$34	(\$170)
Installed by Owner, Provided by County, Single 8"	\$6,415	At cost + Warehouse handling fee of \$34	(\$735)
Installed by Owner, Provided by County, 6" x 4" Combo - Combine cost of 4" and 6" device	\$6,682	At cost + Warehouse handling fee of \$34	(\$1,749)
Backflow Prevention Devices - Reduced Pressure Device - Parallel			
Installed by Owner, Provided by County, Parallel 4"	\$4,478	At cost + Warehouse handling fee of \$34	(\$807)
Installed by Owner, Provided by County, Parallel 6"	\$6,570	At cost + Warehouse handling fee of \$34	(\$374)
Installed by Owner, Provided by County, Parallel 8"	\$12,830	At cost + Warehouse handling fee of \$34	(\$1,503)
Backflow Prevention Devices - Double Check Valve Device - Single			
Installed by Owner, Provided by County, Single 4"	\$981	At cost + Warehouse handling fee of \$34	\$544
Installed by Owner, Provided by County, Single 6"	\$1,574	At cost + Warehouse handling fee of \$34	\$715
Installed by Owner, Provided by County, Single 8"	\$2,904	At cost + Warehouse handling fee of \$34	\$1,328
Installed by Owner, Provided by County, 6" x 4" Combo - Combine cost of 4" and 6" device	\$5,560	At cost + Warehouse handling fee of \$34	(\$1,780)
Backflow Prevention Devices - Double Check Valve Device - Parallel			
Installed by Owner, Provided by County, Parallel 4"	\$1,962	At cost + Warehouse handling fee of \$34	(\$256)
Installed by Owner, Provided by County, Parallel 6"	\$3,148	At cost + Warehouse handling fee of \$34	(\$561)
Installed by Owner, Provided by County, Parallel 8"	\$5,808	At cost + Warehouse handling fee of \$34	(\$1,240)
Service Charges			
Meter Reset Fee 3 3/4" - 1" to Meter Reset Fee 3/4" to 2"	\$30	\$65	\$35
Meter test in shop (if meter is registered within accuracy range - 3/4" to 1")	\$35	\$100	\$65
Meter test in shop (if meter is registered within accuracy range - 1 1/2" to 2")	\$45	\$100	\$55
SEWER REVENUE AND OPERATING FUND			
Service Charges			
Meter Reset Fee 3/4" - 1" to Meter Reset Fee 3/4" - 2"	\$30	\$65	\$35
Reclaimed Meter Test in Shop Fee 3/4" to 1" (test no longer performed)	\$65	\$0	\$0
Reclaimed Meter Test in Shop Fee 1 1/2" to 2" (test no longer performed)	\$75	\$0	\$0