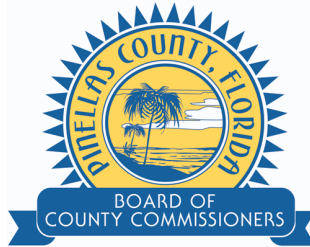


Pinellas County

*315 Court Street
Clearwater, Florida 33756*



Minutes - Final

Tuesday, June 13, 2017

9:30 AM

BCC Assembly Room

Board of County Commissioners **Budget Information Session**

*Janet C. Long, Chairman
Kenneth T. Welch, Vice-Chairman
Dave Eggers
Pat Gerard
Charlie Justice
John Morroni
Karen Williams Seel*

ROLL CALL - 9:32 A.M.

Members Present: Janet C. Long, Chairman; Kenneth T. Welch, Vice-Chairman; Dave Eggers, Pat Gerard, Charlie Justice; John Morroni, and Karen Williams Seel.

Others Present: Jewel White, Chief Assistant County Attorney; Mark S. Woodard, County Administrator; and Christopher Bartlett, Board Reporter, Deputy Clerk.

Copies of all PowerPoint presentations have been made a part of the record.

1. Construction Licensing Board Budget Presentation.

Mr. Woodard noted that there are four items on the work session agenda; and that the budget summary documents for the Pinellas County Construction Licensing Board (PCCLB) would be presented by Interim Executive Director Gay Lancaster.

Ms. Lancaster referred to the budget summary, provided background information on the progress of the PCCLB, and noted her appreciation for the help offered through the County Administrator's Office, the Inspector General, and other departments in keeping the organization moving forward. She indicated that the backlog of cases has been resolved; that many rules and processes have been reviewed and revised; and that new rules and bylaws have been adopted by the Board.

Responding to queries by the members, Ms. Lancaster discussed the following:

- Waiting for the State Attorney's Office and Inspector General's Office to complete separate inquiries before exploring any funding requests to the Legislature or the County.
- The former Executive Director has submitted his retirement and there has been no offer of a severance package at this time.
- The necessity of a bridge loan to continue operating is not yet clear and the funding level of such a loan cannot be determined at this time.
- The budget includes positions for four inspectors, which is about half of the positions in other similar counties. A meeting has been scheduled for the end of June with the Pinellas County Sheriff to explore receiving enforcement help from deputies and other arrangements.
- Expenditures have exceeded revenues and the organization has been depleting its reserves regularly since 2014. It is feasible to expect the organization to be self-supporting in the future, but it will require investigators on the road completing a high

level of case work, which remains critical to the revenue stream. The current level of investigative work has not been sufficient to support the organization long term.

- Her role as the Interim Executive Director and her objectives, which include providing the best recommendation possible for moving the organization forward, and whether it should remain independent or transition to being a part of County government.
- The Licensing Board continues to receive proper legal advice from the County Attorney's office, all meetings are open to the public, and the staff and Board members have been very forthcoming about wanting to hear from complainants.
- There are currently 14 members actively serving on the 21-member Board. The Special Act defines the Board membership requirements and the language is antiquated and in need of updating.

Mr. Woodard provided background information concerning the budget process and noted that historically, the PCCLB budget has been part of the County budget and adopted as part of its balanced budget; that there is no legal requirement to do so; and that the PCCLB operates as a Special District and must maintain a balanced budget under the Florida Constitution. He stated that due to the uncertainty of the PCCLB budget for 2018, he recommends that it should not be a part of the County budget; and that it could be included as an amendment outside of the formally adopted budget in order to achieve transparency.

In response to queries by Commissioner Welch, Ms. Lancaster indicated that the PCCLB would likely run out of funds in February or March 2018; and that she could estimate the amount of the expected shortfall in two or three months; whereupon, Mr. Woodard related that the Office of Management and Budget has projected the shortfall to be around \$217,000.

Ms. Lancaster discussed how the PCCLB is working with Business Technology Services for support of its legacy system and to help plan a transition to better technologies and noted that the transition is expected to take several years; and that significant changes must be implemented in the interim; and discussion ensued.

Commissioner Seel noted that there is a lack of information easily accessible to the public; that the information should be available transparently on the internet; and that should the Legislature not change the Special Act, an interlocal agreement might provide some peace of mind in drawing the Commissioners' support. In response, Attorney White stated that an interlocal agreement currently exists which provides certain County services to the PCCLB; and that the agreement could be revised to address new concerns or important issues.

Thereupon, the members thanked Ms. Lancaster for her time and efforts in moving the organization forward.

2. Review User Fees and Utility Rates.

Budget and Financial Management Analyst Katherine Burbridge conducted a PowerPoint presentation titled User Fees and Rates - Proposed Changes for FY18, referred to the document titled Summary of Proposed User Fee Schedule Changes, provided information on Board policy guidelines, and discussed General Fund revenue by category and departments and other funds in the budget. She stated that user fees contribute 2.8 percent of General Fund revenues; and that the majority of fees are collected by Parks and Conservation Resources, Development Review Services, and Animal Services; whereupon, Mr. Woodard noted that park-related fees include parking, overnight camping, and boat ramp fees, which collectively total nearly \$7 million.

Ms. Burbridge indicated that no new fees are proposed in the General Fund budget; that Development Review Services plans to discontinue one of its fees; and that Parks and Conservation Resources will increase the top range for cancellations, which may result in additional collections of \$221,000.

Responding to query by Commissioner Eggers, she stated that the fee for events needing right-of-way access would increase from \$80 to \$130, and Mr. Woodard related that the fee has remained unchanged since Fiscal Year 2011; and that it will now be the same amount as other right-of-way utilizations.

Ms. Burbridge indicated that Emergency Medical Services fees will rise 3.5 percent as per the Medical Consumer Price Index; that Solid Waste wishes to increase the fee for tire disposal but will have no new fees; and that the Florida Department of Health in Pinellas County is proposing several new fees and changes to two existing ones; whereupon, she stated that the complete fee schedule will be provided with the proposed budget in July.

Responding to queries by Commissioner Seel regarding permits and appeals, Development Review Services (DRS) Director Blake Lyon noted that DRS is changing its fee structure, which will lower fees to residents in some cases; that the department is working to deploy one-stop customer service allowing a customer to receive a variety of services in one place; and that DRS works with Public Works and municipalities to help improve service on right-of-way utilization permits. He provided examples of waiver requests received by his department and stated that new Land Development Codes are coming that will address many of the changes.

Office of Management and Budget Manager Linda Benoit provided information on water utility rates and stated that the current four-year adopted rate is in its second year; and that the rates will increase by 1.75 percent. She noted that Sewer System revenue remains in line with the four-year forecast but operating and capital costs are higher than estimated, due to inflow and infiltration issues and aging infrastructure; that inflow and infiltration studies and flow monitoring have increased operating costs by \$3.8 million; and that an additional \$5.2 million is included in the proposed budget.

In response to queries by the members, Ms. Benoit explained the process of flow monitoring and related that \$1 million was allocated from BP Oil Spill Settlement funds and is not included in the budget numbers. She noted that sewer rates would increase one percent; that both the water and sewer rates match the recommendation of the rate consultant; and that the rates are comparable to those throughout the bay area.

Ms. Benoit related that in 2015, a decision was made to reduce the sewer fund balance due to it exceeding its set target; that the amount above the target has been used for expenses based on a reduction plan through Fiscal Year 2019; that capital needs are now greater than in previous years; and that the next rate study is planned for Fiscal Year 2019 or 2020. Responding to queries by the members, she indicated that sewer rates were not raised as the County spent down its fund balance; and that at the end of the current rate period in 2019, the fund will be near the target balance. Mr. Woodard stated that the sewer fund would remain whole into 2021; and that a new rate study would determine a recommendation on whether to raise rates at that time, and discussion ensued.

3. Capital Improvement Program.

Office of Management and Budget

Mr. Woodard explained that the semi-annual update of the Capital Improvement Program (CIP) will have multiple presenters; whereupon, referring to a PowerPoint presentation, Office of Management and Budget Manager Jacqueline Trainer provided an overview of the program, and noted that it is a ten-year program aligned with the Penny for Pinellas authorization; and that it assists with long-range planning and long lead times associated with most major capital improvement projects.

Ms. Trainer indicated that the proposed budget for the next fiscal year is \$175.9 million; that the Penny surtax is the major funding source; and that grants leveraged on the projects will total 10 percent of the proposed budget. She noted that other funding comes from the Local Option Fuel Tax for intelligent transportation system projects, Tourist Development Tax for beach nourishment projects, and various other revenues and fees; whereupon, she discussed enterprise funds and the forecast of current Penny projects.

In response to queries by the members, Mr. Woodard stated that the original estimate of \$2 billion to be collected for Penny 3 was reduced to \$1.5 billion in 2009; and that the revised projection is holding true. Ms. Trainer indicated that current projects budgeted through 2021 will use Penny 3 funds set aside for the completion of each project.

St. Pete-Clearwater International Airport

Referring to a PowerPoint presentation, Airport Director Thomas Jewsbury provided an overview of the CIP projects currently underway and indicated that by the end of the year, all taxiways on the airfield will have been resurfaced; that Phase 3 Terminal Improvements should be completed by January 2018; that a \$15 million parking lot expansion project will

begin construction in August 2017; and that an automated inline baggage system is being designed to expedite the baggage screening process and construction should begin in early 2018.

Solid Waste Department

Section Manager Robert Mills provided an overview of the department's CIP projects and core competencies. He related that the Side Slope Closure Project at the landfill should be complete in August; and that the closure could potentially allow for the capture of methane gas, which could be a source of future revenue.

Mr. Mills indicated that 56 percent of the projects included in the \$243 million Technical Recovery Plan at the Waste-to-Energy Facility are either completed or in progress; and that the remaining 44 percent are scheduled to complete in 2020. He related that the projects help to reduce the use of landfill space; that radio frequency identification (RFID) modules are being utilized by more customers to help complete the process through the scales more quickly; and that the amount of downtime has been cut roughly in half.

Mr. Mills discussed the purchase of a new rotor for the turbine generator at the facility and related that there has been a 10 percent increase in efficiency, which is projected to generate approximately one million dollars in revenue annually, and Mr. Woodard noted that through a power purchase agreement with Duke Energy, the amount of power generated at the plant provides electricity to about 40,000 homes in Pinellas County.

Mr. Mills related that the office and breakroom addition at the water treatment plant has been completed; and that a new uninterruptable power supply should be fully functional by July 1.

Responding to queries by Commissioner Seel, who noted that the current agreement with Duke Energy will end in 2024, Solid Waste Director Kelsi Oswald discussed the preparation and current feedback towards extending the agreement. She noted that Pinellas County receives the largest payout in the state due to the large quantity of energy produced at its plant; and that it is equal to more than 50 percent of the total revenue in Solid Waste, and discussion ensued.

Utilities Department

Utilities Director Randi Kim discussed the completion of the Operations and Maintenance Building at the Keller Water Treatment Plant, the upgrade of the Logan Pump Station on Ridge Road, various projects relating to the Wastewater Treatment System, and improvements at the William E. Dunn and South Cross Bayou Water Reclamation Facilities; whereupon, she provided information regarding the number of emergency projects that were addressed over the past year.

In response to a request by Commissioner Eggers, Ms. Kim provided an update on a situation where a pipe broke north of Alderman Road in Palm Harbor and noted that a temporary bypass has been in place to allow the installation of a permanent pipeline, which was just completed last week; that a root cause of the failure was corrosion due to a faulty air-release valve; and that a project has been initiated to provide redundancy in the area.

Ms. Kim related that about five miles of smaller-diameter pipes are lined each year; that lining of larger-diameter pipes, known as interceptor pipes, has begun this year; and that flow meters are being installed as part of the County's collaboration with municipalities, and discussion ensued.

Stormwater and Vegetation Division

Section Manager James Bernard noted that the division has approximately 35 projects addressing erosion control, flood control, stormwater rehabilitation, and regional water quality, and provided an overview of a number of the projects.

Meeting recessed: 11:55 A.M.

Meeting reconvened: 12:37 P.M.

Environmental Management Division

Section Manager Kelli Levy indicated that the cost estimate for the Lake Seminole Sediment Removal project has been reduced by almost \$9 million from the original estimate of \$27.5 million; and that \$16 million total funds have been confirmed, leaving a gap of just over \$2 million to be covered by the County, the RESTORE Act, or possible grant funding.

Ms. Levy provided information on the progress of several beach nourishment projects currently underway or planned for the future, and discussion ensued; whereupon, she provided an update on acquiring the required easements from homeowners along the beaches scheduled to be nourished.

Transportation Engineering and Design

Engineering Section Manager Thomas Washburn provided updates on the Wall Springs Tower Ramp and Coastal Addition projects, the Pinellas/Coast to Coast Trail, and the Pinellas Duke Energy Trail, and responded to related queries by the members.

Mr. Washburn discussed several projects related to the Advanced Traffic Management System/Intelligent Transportation System, the Park Street/Starkey Road and Gateway Express projects, and the Pavement Preservation Program. Responding to queries by Commissioner Eggers, he related that as the revenue projection for the current Penny was reduced, the money available for the Pavement Preservation Program was reduced accordingly, and Mr. Woodard indicated that funding for the program will be increased in the next Penny in order to move the program to a preferred level of funding.

Mr. Washburn related that the Haines Road project in the St. Petersburg area has been split into two segments; that the first segment is currently under construction and should be completed by the middle of 2018; and that the total cost for both segments is about \$10 million. Responding to queries by the members, he indicated that the project includes sidewalks, bike lanes, and turn lanes, and signals will be upgraded to mast arms; that along with Penny funds, a portion of the project is supplemented with grant funds and other funding sources; and that Haines Road will have limited access at times during the construction process.

Real Estate Management

Department Director Andrew Pupke provided an update on the Jail Infrastructure Upgrade Project and noted that the budget for the project is \$87.5 million; that the scope of the project includes two new buildings; and that it has been under construction for about nine months and is scheduled for completion in March 2019. He related that the project has been a great partnership with the Sheriff's Office, the design team from Moss and Associates, and the Real Estate team.

Mr. Pupke also provided an update on the Courts Consolidation Project and indicated that the first phase is at the County Justice Center and the second phase is at the St. Petersburg Courthouse. He discussed the planned construction and timeframe for each location and related that the overall budget is \$68 million, with \$56 million allocated to phase one and the remainder to phase two.

Responding to query by Commissioner Welch, Mr. Pupke indicated that the project is funded from the current Penny; and that funds will be held in order to cover the costs through the end of construction in 2021.

Marketing and Communications

Referring to a PowerPoint presentation, Marketing and Communications Director Barbra Hernandez provided background information regarding the Penny for Pinellas sales tax, reviewed the key dates of the upcoming renewal referendum and the public outreach methods utilized by staff, and discussed the use of the surtax and the benefits to the citizens countywide. She indicated that all education materials are being updated to include and reflect the Board's future priorities and other input; and that public education efforts are ongoing. She noted that early voting for the referendum begins on October 8 and the election will be held on November 7, and discussion ensued.

4. Review Decision Packages and Funding Options.

Mr. Woodard conducted a PowerPoint presentation and discussed a list of service-level enhancements that have been identified during this year's budget process and stated that staff is looking for the Board's guidance as to which of the items should be ultimately

included in the proposed budget. He discussed the budget process and timeline for completion and noted that on June 15 the Board will host a Community Conversation at St. Petersburg College in Seminole, with a satellite location at its Tarpon Springs Campus; that a work session has been scheduled for August 3; and that maximum millage rates must be certified by August 4.

Mr. Woodard related that 15 percent in total reserves must be maintained according to policy; that many factors are considered annually which help narrow the list of enhancements that could be funded; and that the following additional factors could have a large impact on the Fiscal Year 2019 budget:

- Florida voters will consider approving an additional homestead exception as part of a Constitutional amendment in November 2018.
- Federal and State governments continue to step away from funding important community services, leaving the County to assume a higher level of responsibility.

Responding to query by Commissioner Eggers, Mr. Woodard indicated that the list of decision packages is being presented to the Board later in the budget process than in previous years; and that the current recommendations reflect staff's best effort to narrow down the \$46 million worth of needs into a package that fits within the resources available.

Office of Management and Budget Director Bill Berger referred to the list of decision packages and noted that it is organized into categories based on the funding status of each item, alternative solutions, and items that are deferred. He explained other markers and keys to how to read the document; whereupon, with input by Mr. Woodard, he provided information on various items in the list.

Human Services Director Lourdes Benedict discussed various funding requests for programs related to her department. Responding to query by Commissioner Welch, she indicated that health care reimbursements pay for the care of residents in the blue card program that need help when in another county; and that the homeless package includes realignment of funds from the Adult Emergency Financial Assistance Program, and discussion ensued.

Mr. Berger related that many decision packages, including several in Human Services, started as pilot programs; that the programs are then tracked and measured; and that the subsequent data is used to drive decisions on continuing the programs.

Mr. Berger responded to queries by the members and provided information on the list of funding requests, including the following:

- Staffing for the 911 call center
- Veterans Reef planning and design
- Sewer system studies and improved reclaimed water availability
- Neighborly Care Network services
- Sheriff vehicles and helicopter overhaul and equipment
- Increased Sheriff patrol at the St. Pete-Clearwater International Airport
- Coordinated Case Management
- Aquatic vegetation and weed control
- 211 Tampa Bay Cares
- Speed feedback sign installations
- Affordable housing
- Homeless Leadership Board Youth Advocate staffing
- Additional staffing for the Clerk of the Circuit Court and Comptroller
- Parks and Recreation needs

Responding to query by Commissioner Gerard regarding the Coordinated Case Management request, Commissioner Welch indicated that a case manager would work with a Sheriff's Office employee to identify mental health issues while screening individuals going to jail and before they could become subject of a Baker Act; and that the request would expand the pilot program established in the Lealman area to the entire county.

Mr. Woodard addressed the funding request for 211 Tampa Bay Cares noting that the recommended funding is less than the initial request; and that rather than micromanage its partners, the County will ask the organization to use the reduced amount and apply it in a way that best meets its needs. Responding to query by Commissioner Gerard, 211 Tampa Bay Cares President and CEO Micki Thompson indicated that the Board of Directors had voted to transition certain tasks to the Homeless Leadership Board; that the decision will free up substantial staff time; and that the staff can refocus on its main mission, and discussion ensued.

Mr. Berger related that affordable housing requests ranged from \$1 million to \$2 million; that staff's recommendation is to fund only \$500,000; and in response to query by the members, that the funds would not be required to go through the Housing Finance Authority as they would be General Fund dollars. He noted that the funding is in addition to any amount funded from the next Penny for Pinellas surtax; and that the recommended funding is an increase of \$100,000 over the current year allocation from the General Fund; whereupon, Mr. Woodard provided statistics related to the County's funding of affordable and workforce housing, and discussion ensued.

Mr. Woodard suggested alternative solutions with regard to several funding requests. Responding to queries by Chairman Long regarding the Neighborly Care Network, Matthew Blair, Corcoran & Johnston, stated that the waiting list for the meals program is nearly 1,000 individuals; and that the needs for adult day care and transportation services have

increased greatly. He provided general information on annual costs of services and noted that the funding request in the package is for \$3.6 million.

Neighborhood Care Network President and CEO Debra Shade related that it costs about \$1,500 a year to feed a person for 250 days; that the Meals on Wheels program is not advertised to the public, which holds the waiting list for those in greater need; and that economic models demonstrate that related costs for elderly services will continue to rise. Lengthy discussion ensued, and the members commented on the following and other related topics:

- Whether funding of services should come from the County and/or other sources
- The critical need for providing services to seniors
- Providing services which can reduce the impact on emergency services
- The need to increase funding incrementally
- Creating a special district for the elderly, similar to what is done for children
- Altering the Juvenile Welfare Board's mission to include the elderly
- Understanding the proper level of funding and partnerships

The members expressed their appreciation for the work being done by Neighborhood Care Network and noted that they are in favor of supporting the services it provides, and discussion ensued regarding transportation funding for the disadvantaged.

Upon the Chairman's call for citizens wishing to speak with regard to the decision packages, the following individuals provided their comments and responded to queries by the members:

Donna Sicilian, Pinellas County Schools
Sara O'Toole, Pinellas County Schools
Barbara St. Clair, Creative Pinellas

At the request of Chairman Long and in response to comments in support of funding school nurses, Pinellas County School Board Chairman Peggy O'Shea related that no funding has been made available for school nurses from either State or Federal sources; that grant funding is finite and does not address the need for funding year after year; and that over 500 calls to 911 are made over the 180-day school year.

Responding to queries by the members, Commissioner Seel indicated that the current Health Department millage rate is 0.0622; and that the increase needed to fund school nurses is 0.0214, for a new millage rate of 0.0836. She stated that she believes increasing the millage rate is the proper way to fund the program; and that supporting the funding has broad implications towards improving children's lives, and discussion ensued.

In response to query by Commissioner Seel, Mr. Woodard indicated that upon the Board's direction, staff could present the millage adjustment at the August 3 work session for certification on August 4; that many of the decision packages are programs that have lost

State or Federal funding; and that the County must always consider its role when funding programs in addition to its Charter responsibilities.

Commissioner Eggers requested that Pinellas County Schools provide ideas on how to approach funding for school nurses incrementally over the next few years. In response, Mr. Woodard indicated that the Board has approved decision packages in the last two years which have incrementally addressed funding for school nurses; and that the approved funding from last year does not recur and expires at the end of the current fiscal year; whereupon, Mr. Berger provided information on the remaining decision items recommended to be either deferred or not funded.

During the final agenda item, Commissioner Welch left the meeting at 2:57 P.M. and Commissioners Gerard and Morroni left the meeting at 3:15 P.M.

ADJOURNMENT - 3:36 P.M.