

Pinellas County



Minutes - Final

Thursday, June 14, 2018

9:30 A.M.

BCC Assembly Room

Board of County Commissioners - **Budget Information Session**

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

ROLL CALL - 9:37 A.M.

Present 5 - Chairman Kenneth T. Welch, Commissioner Dave Eggers, Commissioner Pat Gerard,
 Commissioner Charlie Justice, and Commissioner Janet C. Long

Absent 1 - Vice-Chairman Karen Williams Seel

Others Present: Mark S. Woodard, County Administrator; Don Crowell, Chief Assistant County
Attorney; and Chris Bartlett, Board Reporter, Deputy Clerk

1. Capital Improvement Program - Jackie Trainer

Overview and Forecast

Mr. Woodard related that staff is seeking the Board's direction as to the proposed budget. He noted that in addition to providing the annual Capital Improvement Program (CIP) update regarding projects that are currently underway, staff will apprise the Board of opportunities to apply available funds within the Transportation Trust Fund toward critical priority transportation, infrastructure, and renewal and replacement projects, as well as to advance critical projects budgeted for Penny for Pinellas IV into Penny for Pinellas III.

Referring to a PowerPoint presentation titled *Doing Things! Capital Improvement Program Update*, Office of Management and Budget (OMB) Manager Jacqueline Trainer provided an overview of the program background, purpose, and guidelines. She indicated that the CIP six-year plan of proposed capital projects provides a balance of the community's capital needs with the fiscal capabilities of the County, noting that the plan is updated annually and the projects are reviewed for impact to the operating budget; whereupon, she explained why the program was changed from a ten- to a six-year plan.

Ms. Trainer discussed the program funding sources and allocation, indicating that the proposed budget consists of Governmental Funds (\$222.1 million) and Enterprise Funds (\$109.5 million), with the Penny surtax being the major source; and that the largest allocation is earmarked for transportation-related projects; whereupon, she discussed the new, recurring, reprioritized, and previously unfunded Penny-funded projects.

In response to queries by the members, Mr. Woodard and Ms. Trainer explained that new Penny-funded project requests proposed to be advanced for funding with the Penny III money will not replace other projects; and that they will be built into the budget following today's review, noting that acceleration of multi-year projects is common and possible during Penny transitions, with the Penny being a continued funding source.

Responding to queries by Commissioners Long and Eggers, Ms. Trainer indicated that she will provide information about the impact of tourism on road deterioration and a list of the new *preliminary design* Penny-funded projects.

Ms. Trainer, Mr. Woodard, and OMB Director Bill Berger reviewed plans for utilizing the Transportation Trust Fund reserves to fund immediate needs such as residential road resurfacing and maintenance, indicating that unlike the Penny, the fund can be used for operations and maintenance expenses; whereupon, they discussed the fund revenue sources and amounts, major allocations, and forecast, and responded to queries by the members. Mr. Berger reminded the public that budget forecast information is available on the County website, and Mr. Woodard remarked that in the future, the Board should consider new revenue opportunities for the fund, since gas taxes, its major source, have been diminishing as a result of fuel efficiency and electrically-powered vehicles; and that budget development involves applying various revenue streams based on legal requirements and restrictions.

CIP Project Portfolio Management

OMB Strategic Performance Manager Aubrey Phillips continued the PowerPoint presentation and indicated that a portfolio approach is a data-driven process aimed to improve CIP project prioritization and budget planning; and that it should be fully implemented to support the Fiscal Year 2020 budget planning process. She noted that projects offering multiple benefits based on the Strategic Plan goals will be given precedence, ensuring timely delivery without overextending the resources; and that the CIP budget information is available on the County website.

During discussion, the members expressed support for the portfolio approach concept, emphasizing that a proper message needs to be presented to the public with regard to potential changes in project prioritization. Ms. Phillips and Mr. Woodard related that a communication plan addressing the impact on all affected stakeholders is being developed to set expectations and provide opportunity for input; whereupon, they reiterated that the new process will result in better project delivery; and that advancing funds from the Transportation Trust Fund would provide additional resources toward some of the pressing projects.

CIP Project Updates

St. Pete-Clearwater International Airport (PIE)

Airport Director Thomas Jewsbury continued the PowerPoint presentation and provided an overview of the following major projects currently underway at the Airport, discussing the costs, completion dates, and potential improvements:

- Terminal Improvements Phase 3
- Airport Landside Improvements
- Ticketing "A" In-Line Baggage
- Customs and Border Protection Improvements
- Airport Master Plan

In response to queries by the members, Mr. Jewsbury addressed matters relating to concession and terminal improvements, development of the Airco golf course property, Allegiant flight delays, noise footprint reduction, impact of construction on the Gateway Project; and ground transportation to areas of commerce and beaches.

Thereupon, Mr. Woodard thanked Mr. Jewsbury and his team for pledging another two-year commitment to mentor students at Clearwater High School.

Solid Waste

Section Manager Robert Mills continued the PowerPoint presentation and provided an overview of the following projects, discussing the background, purpose, cost, and timeline:

- Technical Recovery Plan
- Overhead Variable Message Board
- 110th Avenue Drainage Redesign
- HEC3 North Collection Site

During discussion and responding to queries by the members, Mr. Mills explained the benefits of increased turbine efficiency and, with input by Real Estate Management Director Andrew Pupke, provided additional information concerning the HEC3 North Collection Site project, including household collection site locations, expected completion date, wall installation, and construction of a driving course and North County offices.

Commissioner Eggers expressed concern regarding an exposed private sewer plant facility located in the vicinity of the HEC3 North Collection Site, and Mr. Woodard and Assistant County Administrator Jake Stowers provided background information, indicating that the facility is private and was permitted long before the current enclosure requirements were in place; whereupon, Commissioner Eggers suggested looking for opportunities to incentivize the operator to build an enclosure.

Utilities Engineering

Utilities Director Kevin Becotte continued the PowerPoint presentation and provided an overview of the following projects, discussing background, cost, status, and the importance of partnerships:

- Innisbrook Force Main Improvements
- Boca Ciega Force Main
- Pass-A-Grille Way Roadway Improvements (Phase 2) JPA
- Large Diameter Cured-In-Place Pipelining
- 54" Reconnect Service Line
- North Train Anoxic Gate Improvements
- Headworks Barscreen Replacement
- North County Reclaimed Water (identifying projects from the Reclaimed Water Master Plan)

Mr. Becotte noted that as a result of the Innisbrook force main break, the County has been evaluating and replacing force mains and other assets based on the Enterprise Asset Management Program assessment of risks and needs, and responding to queries by the members, he provided information pertaining to the projects, including goals, timelines, locations, processes, and challenges.

In response to concerns voiced by Commissioner Eggers relating to inadequate delivery of reclaimed water service, Mr. Woodard indicated that the Master Plan will be reviewed by staff soon and brought to the Board for discussion; that there are reserves available for subsequent capital projects; and that some solutions could potentially be seen as early as next fiscal year, and Mr. Becotte and OMB Manager Linda Benoit provided input regarding funds programmed for reclaimed water projects.

At the request of Chairman Welch, Mr. Becotte agreed to provide materials relating to the studies of Aquifer Storage and Recovery technology.

Stormwater and Vegetation Division

Stormwater and Vegetation Division Director James Bernard continued the PowerPoint presentation and indicated that the department has approximately 50 ongoing projects in the areas of stormwater system rehabilitation, channel and erosion control, flood control, and water quality in various stages of the project timeline; and that 50 projects are planned for Penny IV; whereupon, he discussed the following projects, including the background, location, scope, goals, status, and challenges, and responded to queries by the members:

- Georgia Avenue drainage improvements
- 22nd Avenue South/Gulfport Boulevard drainage improvements
- Cross Bayou Canal flood improvements
- Bee Branch Phase 1 Bank Stabilization
- Lakeshore Estates Phase 1
- Roosevelt Channel 5 Improvements

Mr. Woodard noted that the portfolio approach is evident in the Lakeshore Estates project, where the original plan for road resurfacing turned into comprehensive improvements relating to road condition, drainage, and sewers; and that the project addresses problems stemming from obsolete development standards; whereupon, Commissioner Eggers thanked staff for their professionalism in speaking with the community regarding the matter.

Watershed and Coastal Management

Assistant County Administrator Rahim Harji continued the PowerPoint presentation and provided an update regarding the following projects, including background, scope, status, budget, challenges, and benefits, and responded to queries by the members:

- Lake Seminole Sediment Removal
- Upham Beach Stabilization
- Sand Key Nourishment
- Treasure Island Nourishment
- Long Key/Upham Beach Nourishment

In response to queries by Commissioners Long and Welch concerning the Lake Seminole project, Mr. Harji provided details regarding the timeline, sediment removal process, and challenges. He indicated that pollutant sources have been eliminated and alum facilities have been installed around the lake; and that once the historical material containing high concentrations of nitrogen and phosphorus is dredged, the lake would have to be maintained with regard to the alum facilities, and will not need to be dredged again for a long time.

Parks and Conservation Resources

Parks and Conservation Resources Director Paul Cozzie continued the PowerPoint presentation and provided an update regarding the following projects, including status, timeline, costs, scope, and materials, and responded to queries by the members:

- Inclusive Playgrounds at John Chesnut Sr. and Boca Ciega Parks
- John Chesnut Sr. Boardwalk
- Wall Springs Park coastal additions

Transportation

Engineering Section Manager Thomas Washburn continued the PowerPoint presentation and provided an update regarding the following projects, including scope, location, status, goals, and benefits, and responded to queries by the members:

- ITS/ATMS Program
- Forest Lakes Blvd Roadway Improvements
- NE Coachman Rd at Old Coachman Rd Intersection and RRR Improvements
- Haines Bayshore Rd (LAP) Sidewalk Improvements
- Pine Street Sidewalk and RRR Improvements
- Pinellas/Duke Energy Trail Phase 2
- Pinellas Trail North Loop

Mr. Woodard discussed an opportunity to obtain \$7 million in federal grant funding for intelligent transportation projects, indicating that he will be completing the grant application by the deadline this week; and that it will be brought to the Board for an after-the-fact ratification at the next meeting. At his request, Mr. Washburn provided information

regarding the grant, relating that it would fund ITS/ATMS program improvements in north county and the connected vehicle technology, and responding to query by Commissioner Long, he indicated that installation of the devices at intersections would have a minimal impact on traffic.

Meeting Recessed: 12:00 P.M.

Meeting Reconvened: 12:36 P.M.

Real Estate Management

Mr. Pupke continued the PowerPoint presentation and provided an update regarding the following projects, including background, scope, costs, status and completion timeline, and goals, and responded to queries by the members:

- Upgrade Jail Campus Infrastructure
- Courts Consolidation - CJC
- Courts Consolidation - St. Petersburg

In response to queries by the members, Messrs. Pupke and Woodard, with input by Attorney Crowell, provided updates regarding litigation relating to the Public Safety Complex, modifying lease agreements to reflect the County responsibility for ensuring structural integrity of its buildings, renovating the County Attorney's Office, and the prospect of the County and the City of Clearwater sharing a joint-use facility.

During discussion, the members expressed a desire to continue the conversation concerning the joint-use facility, and responding to their queries, Mr. Woodard indicated that he is scheduled to meet with City officials regarding the matter; that lack of tangible progress on the facility construction was due to not having adequate funds; and that a 2008 consulting report on the matter will be provided to the Board. Mr. Pupke noted that staff plans to conduct a feasibility study in cooperation with the City to determine validity of the report, and Attorney Crowell indicated that he would review the County Charter as to the BCC office location requirements.

2. Review Proposed Changes to Governmental and Enterprise User Fees and Utility Rates - Katherine Burbridge and Linda Benoit

Mr. Woodard introduced the item, noting that if approved, the proposed user fees and various rates would be incorporated into the proposed budget; and that they may subsequently be changed through a public hearing process; whereupon, OMB Budget and Financial Management Analyst Katherine Burbridge conducted a PowerPoint presentation titled *Doing Things! Governmental and Enterprise User Fees and Utilities Rates, Proposed Changes for FY19*, discussing the following and responding to queries by the members, with input provided by staff:

- Board policy guidelines and considerations for setting the user fees
- User fees as a source of General Fund Revenue
- Breakdown of user fees by department
- Proposed new fees or changes to existing fees for various departments
- Impact of the fee changes on revenues
- Enforcement of the proposed camping fees and rules for visiting Shell Key

Ms. Burbridge indicated that in 2017 user fees made up 2.6 percent of the General Fund revenue, generating \$554.9 million; and that the largest user fee contributor is Parks and Conservation Resources, and discussion ensued; whereupon, responding to queries by the members, Messrs. Woodard, Berger, and Cozzie discussed the reasons for parking/entry fee implementation at coastal parks, their impact on attendance, fee revenue projections versus actual revenues, considering the feasibility of combining FDOT and County fees at the Pinellas Toll Plaza, and related topics.

In response to concerns voiced by Commissioner Eggers regarding charging fees to access public lands, Chairman Welch and Messrs. Cozzie and Woodard provided background information regarding imposition of the fees, noting that they are used for parks maintenance, for which the property or Penny for Pinellas taxes do not pay; that otherwise, the burden would fall on all local taxpayers, including non-park goers; and that the fee system reflects the underlying strategy of aligning the expenditure with the benefiting party.

Responding to queries by Commissioner Eggers, Mr. Woodard indicated that detailed information regarding the user fees is included in the backup materials and on the County website; and that there has not been any resistance to the proposed fee changes by stakeholder or advisory groups, noting that the fees are reasonable.

Ms. Benoit continued the PowerPoint presentation, providing an overview of the utility rates for water, sewer, and reclaimed water service. She indicated that a four-year plan of rate adjustments, which is annually reviewed, was approved by the Board through Fiscal Year 2019; that the next four-year rate study will begin next month; and that while the Water Fund is projected to maintain sufficient resources, the Sewer Fund is projected to require additional resources starting in Fiscal Year 2020 to provide for increased operating costs to address inflow and infiltration into the sewer system and aging infrastructure.

In response to queries by the members, Ms. Benoit and Messrs. Woodard, Harji, and Becotte provided information regarding the reclaimed water availability charge, irrigation schedule, and enforcement of irrigation rules, noting that there are issues with volume of water availability and demand during dry seasons in north county. Mr. Woodard referred to a graph depicting the Sewer Fund forecast and discussed plans to analyze the operating and maintenance costs and fund pertinent projects addressing inflow and infiltration and other issues.

3. Review and Finalize Decision Packages and Funding Strategies for Proposed Budget

Messrs. Berger and Woodard referred to a PowerPoint presentation titled *Doing Things! Budget Information Session, Finalize Decision Packages and Funding Strategies for Proposed Budget* and spreadsheets listing the proposed decision packages and funding strategies, discussed the following, and responded to queries by the members:

- Balancing strategies relating to best practices and continual improvement
- Guiding principles utilized in developing budget priorities
- Additional considerations
- Funding strategies
- General Fund forecast and potential impacts
- Decision Package requests and recommendations for full, partial, and contingent funding, alternative solutions, deferral, and no funding
- Next steps

Noting that the resources to address the infinite community needs are finite, Mr. Woodard indicated that the recommended funding of the 50 requests totaling nearly \$37.3 million is \$21 million, with approximately \$6.5 million funded by the General Fund; and that the recommendations are based on input by the members, the Board's Strategic Plan, and the demonstrated community need, as well as on the assumption that the Additional Homestead Exemption (Amendment 1) will not pass.

Commissioner Gerard opined that community needs should be assessed to ensure that outside agencies that need help, specifically those relating to Human Services, have an opportunity to compete for funding, and discussion regarding the practice of submitting decision package proposal requests by the members and related matters ensued. Mr. Woodard indicated that there will be opportunities for partners to compete going forward, and Chairman Welch remarked that process improvement suggestions would be welcome.

Commissioner Eggert requested information pertaining to the proposed additional full-time employee positions for the Enterprise Asset Management Program, and Mr. Woodard and Chairman Welch provided comments.

In response to query by Commissioner Justice, Chairman Welch indicated that he will reach out to the Governor's Office regarding the BCC vacancy; whereupon, Commissioner Long requested that the members review information relating to the climate compact; and that Mr. Woodard follow up on comments by local governments regarding the matter.

ADJOURNMENT - 3:26 P.M.