



Pinellas County

Staff Report

File #: 17-1951A, **Version:** 1

Subject:

FY 2017 Board Budget Amendment No. 8 to use Solid Waste Renewal & Replacement Fund reserves for contingencies due to increased activities related to capital projects managed under the service agreement.

Recommended Action:

Approve Budget Amendment No. 8 realigning \$5,000,000 from the Solid Waste Renewal & Replacement Fund's Reserve for Contingencies to the Waste-to-Energy Capital Improvement Program cost center.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers
5.2 Be responsible stewards of the public's resources
5.3 Ensure effective and efficient delivery of county services and support

Summary:

This budget amendment appropriates funding from Reserve for Contingencies within the Solid Waste Renewal & Replacement Fund to accommodate accelerated activities associated with Solid Waste's Technical Recovery Plan (TRP) projects managed under the service agreement.

Background Information:

On March 21, 2017, the Board approved amendment number one to the service agreement with Covanta Projects LLC (Covanta) for the Waste to Energy (WTE) Technical Recovery Plan (TRP) projects. This amendment increased the total cost of the agreement by \$96,327,899 for TRP projects and capacity maintenance fee.

During Fiscal Year (FY) 18 budget preparation, staff estimated the timing of activities associated with all TRP projects and reflected the fiscal impact as part of FY18 budget development. During the course of the remainder of FY17, the 'Stoker, Grates, Boilers and Combustion Control' TRP project progress was accelerated. As a result, the FY 17 total invoices for this project are approximately \$5,000,000 greater than the \$34,000,000 FY17 Adopted Budget for this project. This occurrence represents a timing shift of payments only for this TRP project. The cumulative total TRP funding will not exceed that which the Board has approved. All TRP projects are scheduled to be completed in FY21.

Fiscal Impact:

This amendment will appropriate \$5,000,000 from the Solid Waste Renewal & Replacement Fund Reserve for Contingencies to project 002135A - "Stoker, Grates, Boilers and Combustion Control TRP" as outlined in the attached Budget Amendment Request Form.

Staff Member Responsible:

Jason Rivera, Budget & Financial Management Analyst, Office of Management and Budget.

Partners:

N/A

Attachments:

BA-17-08